

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I Annual Report Identification Information	
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	▶ ☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	▶ ☐

Part II Basic Plan Information—enter all requested information											
1a Name of plan <u>NASCO INDUSTRIES, INC. EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1984</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>35-1447214</u></td> </tr> <tr> <td colspan="2">2c Plan Sponsor's telephone number <u>812-254-7393</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>315990</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1984</u>		2b Employer Identification Number (EIN) <u>35-1447214</u>		2c Plan Sponsor's telephone number <u>812-254-7393</u>		2d Business code (see instructions) <u>315990</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>										
1c Effective date of plan <u>01/01/1984</u>											
2b Employer Identification Number (EIN) <u>35-1447214</u>											
2c Plan Sponsor's telephone number <u>812-254-7393</u>											
2d Business code (see instructions) <u>315990</u>											
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>NASCO INDUSTRIES, INC.</u> <u>3 NE 21ST STREET</u> <u>WASHINGTON, IN 47501</u>											

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	05/31/2023	JORDAN SHERMAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
	Signature of DFE	Date	Enter name of individual signing as DFE

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Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☐ Same as Plan Sponsor NASCO INDUSTRIES, INC. 3 NE 21ST STREET WASHINGTON, IN 47501		3b Administrator's EIN 35-1447214
		3c Administrator's telephone number 812-254-7393
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN
5 Total number of participants at the beginning of the plan year		5 141
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).		
a(1) Total number of active participants at the beginning of the plan year.....		6a(1) 99
a(2) Total number of active participants at the end of the plan year		6a(2) 88
b Retired or separated participants receiving benefits.....		6b 16
c Other retired or separated participants entitled to future benefits		6c 21
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 125
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 0
f Total. Add lines 6d and 6e		6f 125
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g 125
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h 5
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2I 2P 2Q		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>		
A Name of plan <u>NASCO INDUSTRIES, INC. EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NASCO INDUSTRIES, INC.</u>	D Employer Identification Number (EIN) <u>35-1447214</u>	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	125	17324
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	8802	4850
(2) Participant contributions.....	1b(2)	2140	2075
(3) Other	1b(3)	0	34
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	139723	139970
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	716925	980199
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities.....	1d(1) 1651325	3420021
(2)	Employer real property.....	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f 2519040	4564473
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness.....	1i 406175	276646
j	Other liabilities.....	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k 406175	276646
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l 2112865	4287827

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
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A) 354512	
	(B) Participants	2a(1)(B) 112946	
	(C) Others (including rollovers).....	2a(1)(C) 50766	
(2)	Noncash contributions.....	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2)	2a(3)	518224
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A) 17	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans.....	2b(1)(E)	
	(F) Other	2b(1)(F) 34	
	(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)	51
(2)	Dividends: (A) Preferred stock.....	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C) 52962	
	(D) Total dividends. Add lines 2b(2)(A), (B), and (C)	2b(2)(D)	52962
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B) 1768696	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	1768696

		(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)		64562
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		2404495
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	209733	
(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)		209733
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		18115
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)	1685	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		1685
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		229533
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		2174962
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: KATZ, SAPPER & MILLER LLP

(2) EIN: 35-1090346

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 Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			
5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.			
5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)			
5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)	
5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.			

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan NASCO INDUSTRIES, INC. EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 NASCO INDUSTRIES, INC.		D Employer Identification Number (EIN) 35-1447214
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 35-1447214		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?		☐ Yes ☒ No
11 a Does the ESOP hold any preferred stock?		☐ Yes ☒ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)		☐ Yes ☒ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?		☒ Yes ☐ No
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2021 v. 201209		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

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

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year

15b

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

a Enter the number of employers who withdrew during the preceding plan year

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

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

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

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

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:

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

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

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

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

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

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

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

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

☐ Yes.

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

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

☐ No. Other. Provide explanation _____

**NASCO INDUSTRIES, INC.
EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN**

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

December 31, 2021 and 2020



Katz, Sapper & Miller, LLP
Certified Public Accountants

**NASCO INDUSTRIES, INC.
EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN**

CONTENTS

	Page
FINANCIAL STATEMENTS	
Independent Auditor's Report	1-4
Statements of Net Assets (Deficit) Available for Benefits	5
Statement of Changes in Net Assets (Deficit) Available for Benefits	6
Notes to Financial Statements	7-14
SUPPLEMENTAL SCHEDULE	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)	15

Independent Auditor's Report

To the Plan Administrator
NASCO Industries, Inc. Employee Stock Ownership and 401(k) Plan

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

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

Management, having determined it is permissible in the circumstances, has elected to have the audit of NASCO Industries, Inc. Employee Stock Ownership and 401(k) Plan's 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

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

- The amounts and disclosures in the 2021 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

- The information in the 2021 financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of NASCO Industries, Inc. Employee Stock Ownership and 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NASCO Industries, Inc. Employee Stock Ownership and 401(k) Plan's ability to continue as a going concern within one year after the financial statements are available to be issued.

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

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

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards, 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 NASCO Industries, Inc. Employee Stock Ownership and 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about NASCO Industries, Inc. Employee Stock Ownership and 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

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

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

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

2021 Supplemental Schedule Required by ERISA

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 included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of NASCO Industries, Inc. Employee Stock Ownership and 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated March 14, 2022, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Katz, Sapper & Miller, LLP

Indianapolis, Indiana
May 16, 2023

NASCO INDUSTRIES, INC. EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN

STATEMENTS OF NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS
December 31, 2021 and 2020

	2021				2020			
	Participant Directed Investments	Allocated	Unallocated	Total	Participant Directed Investments	Allocated	Unallocated	Total
ASSETS								
Investments at fair value	\$ 1,099,119	\$ 3,221,995	\$ 198,026	\$ 4,519,140	\$ 835,615	\$ 1,508,000	\$ 143,325	\$ 2,486,940
Cash, interest-bearing		21,050		21,050		21,033		21,033
Total Investments	<u>1,099,119</u>	<u>3,243,045</u>	<u>198,026</u>	<u>4,540,190</u>	<u>835,615</u>	<u>1,529,033</u>	<u>143,325</u>	<u>2,507,973</u>
Cash, noninterest-bearing	17,324			17,324	125			125
	<u>1,116,443</u>	<u>3,243,045</u>	<u>198,026</u>	<u>4,557,514</u>	<u>835,740</u>	<u>1,529,033</u>	<u>143,325</u>	<u>2,508,098</u>
Receivables:								
Employer contributions	580			580	690			690
Participant contributions	2,075			2,075	2,140			2,140
Other employer receivable	4,270			4,270	8,112			8,112
Other receivable		34		34				
Total Receivables	<u>6,925</u>	<u>34</u>		<u>6,959</u>	<u>10,942</u>			<u>10,942</u>
Total Assets	<u>1,123,368</u>	<u>3,243,079</u>	<u>198,026</u>	<u>4,564,473</u>	<u>846,682</u>	<u>1,529,033</u>	<u>143,325</u>	<u>2,519,040</u>
LIABILITIES								
Note payable			276,646	276,646			406,175	406,175
NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS	<u><u>\$ 1,123,368</u></u>	<u><u>\$ 3,243,079</u></u>	<u><u>\$ (78,620)</u></u>	<u><u>\$ 4,287,827</u></u>	<u><u>\$ 846,682</u></u>	<u><u>\$ 1,529,033</u></u>	<u><u>\$ (262,850)</u></u>	<u><u>\$ 2,112,865</u></u>

See accompanying notes.

NASCO INDUSTRIES, INC. EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS Year Ended December 31, 2021

	Participant Directed Investments	Allocated	Unallocated	Total
ADDITIONS TO NET ASSETS ATTRIBUTED TO				
Investment Income (Loss):				
Net appreciation (depreciation) in fair value of investments	\$ 64,562	\$ 1,615,080	\$ 153,616	\$ 1,833,258
Allocation of 147 shares of common stock of NASCO Industries, Inc., at fair value		99,013		99,013
Interest		51		51
Dividends	52,962			52,962
Total Investment Income (Loss)	<u>117,524</u>	<u>1,714,144</u>	<u>153,616</u>	<u>1,985,284</u>
Contributions:				
Employer ESOP		173,467	147,742	321,209
Employer	33,303			33,303
Participant	112,946			112,946
Rollover	50,766			50,766
Total Contributions	<u>197,015</u>	<u>173,467</u>	<u>147,742</u>	<u>518,224</u>
Total Additions	<u>314,539</u>	<u>1,887,611</u>	<u>301,358</u>	<u>2,503,508</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO				
Benefits paid	36,168	173,565		209,733
Allocation of 147 shares of common stock of NASCO Industries, Inc., at fair value			99,013	99,013
Interest expense			18,115	18,115
Administrative expenses	1,685			1,685
Total Deductions	<u>37,853</u>	<u>173,565</u>	<u>117,128</u>	<u>328,546</u>
NET INCREASE (DECREASE)	276,686	1,714,046	184,230	2,174,962
NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS				
Beginning of Year	<u>846,682</u>	<u>1,529,033</u>	<u>(262,850)</u>	<u>2,112,865</u>
End of Year	<u>\$ 1,123,368</u>	<u>\$ 3,243,079</u>	<u>\$ (78,620)</u>	<u>\$ 4,287,827</u>

See accompanying notes.

NASCO INDUSTRIES, INC.
EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

NOTE 1 - DESCRIPTION OF PLAN

The following description of NASCO Industries, Inc. Employee Stock Ownership and 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General: The Plan was restated and amended in its entirety by NASCO Industries, Inc. (Employer) effective January 1, 2018. The Plan was originally organized effective November 15, 1984. Effective January 1, 2018, the Plan was restated to establish a 401(k) component within the Plan and other related provisions.

The Plan currently consists of the following two components: 1) a stock bonus plan qualified under Internal Revenue Code (IRC) Section 401(a) which is designed to invest primarily in qualifying employer securities (the ESOP component) and 2) a qualified cash or deferred arrangement described in IRC Section 401(k) (the 401(k) component). The ESOP component of the Plan operates as a leveraged employee stock ownership plan (ESOP) and is designed to comply with Sections 4975(e)(7) and the regulations thereunder of the IRC. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The ESOP previously held 2,731 shares of the Employer's common stock which were allocated to participants. On February 4, 2008, the Plan purchased an additional 2,350 shares of the Employer's common stock with a loan of \$1,645,000 issued by the Employer (see Note 6) and holds the common stock in a trust established under the Plan. The note is collateralized by the unallocated shares of common stock. The Employer has no rights against shares of common stock once they are allocated to participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to the accounts of employees with rights in allocated common stock (allocated) and common stock not yet allocated to employees (unallocated).

The Plan is administered by the Benefits Committee, as appointed by the Employer's Board of Directors. The trust department of an independent third-party bank serves as the trustee of the ESOP component of the Plan, and Charles Schwab Trust Bank serves as the trustee of the 401(k) component of the Plan.

Eligibility: Covered employees of the Employer are generally eligible to participate in the ESOP component of the Plan after one year of service and having worked at least 1,000 hours during such Plan year.

Covered employees of the Employer who have completed at least 400 hours of service are generally eligible to participate in the 401(k) component of the Plan.

Contributions: The Employer is obligated to make contributions in cash to the ESOP component of the Plan which, when aggregated with the Plan's dividends and interest earnings, if any, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan. The Employer's ESOP contributions are allocated to participants based on their eligible compensation during the year, subject to the maximum amount permitted under the IRC. Participants who do not have at least 1,000 hours of service during such Plan year or are not employed on the last day of the Plan year are generally not eligible for an allocation of Employer contributions for such year.

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

The Benefits Committee directs the investment of Employer contributions made to the ESOP component of the participants' accounts.

Each year, participants may authorize the Employer to contribute to the 401(k) component of the Plan up to 100% of their eligible annual compensation, subject to the maximum annual amount permitted under the IRC. Participants who attain age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also make rollover contributions from amounts representing distributions from other qualified plans.

The Employer makes a safe-harbor nonelective contribution equal to 3% of each eligible participant's compensation. The Employer may elect to make discretionary profit-sharing and matching contributions to the 401(k) component of the Plan. In 2021, the Employer made a profit-sharing contribution equal to 1% of eligible compensation for each participant in the Plan. No matching contributions were made during 2021.

Participants direct the investment of their contributions, as well as those made by the Employer to the 401(k) component of their accounts, into various investment options offered by the Plan.

Participant Accounts: The Plan is a defined contribution plan under which a separate individual account is established for each participant.

The ESOP component of each participant's account is credited as of the last day of each Plan year with an allocation of shares of the Employer's common stock released by the Trustee from the unallocated account and forfeitures of terminated participants' nonvested accounts. The ESOP component's earnings are allocated to each participant's account based on the ratio of the participant's account balance to total balance of all participants, as defined in the Plan Agreement.

The 401(k) component of each participant's account is credited with the participant's contributions and the Employer's profit-sharing and matching contributions, as well as allocations of the Plan earnings. Participant accounts may also be charged with an allocation of certain administrative expenses of the Plan. Allocations are based on participant earnings or account balances, or specific participant transactions, as defined in the Plan Agreement.

The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account, subject to certain restrictions as specified below under *Benefits – ESOP Component of the Plan*.

Voting Rights: The ESOP Trustee votes all of the Employer's common stock held by it as part of the Plan assets as directed by the Employer, provided that the participant or participant's beneficiary is entitled to direct the ESOP Trustee as to the manner in which voting rights on shares of the Employer's common stock which are allocated to the participant's account are to be exercised with respect to the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all assets, or such similar transaction. If the participant does not exercise his or her right to vote the Employer's common stock, the ESOP Trustee will vote such shares on behalf of the collective best interest of Plan participants and beneficiaries, subject to the ESOP Trustee's fiduciary duties under ERISA.

Vesting and Forfeitures - ESOP Component of the Plan: If a participant's employment with the Employer ends for any reason other than retirement, permanent disability or death, the participant will vest in the ESOP component of the Plan balances in his or her account based on total years of service with the Employer. A participant becomes 20% vested after two years of service, increasing each year thereafter by 20%, with full vesting after six years of credited service. Although participants become vested in their account balances, the timing of the payment of their benefits is subject to certain restrictions as specified below under *Benefits - ESOP Component of the Plan*.

Plan forfeitures are allocated to each participant's account based upon the relation of the participant's compensation to total Plan compensation for the Plan year. No forfeitures were allocated to participants during the year ended December 31, 2021.

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

Vesting and Forfeitures - 401(k) Component of the Plan: Participants are vested immediately in their contributions and the Employer's safe-harbor nonelective contributions plus actual earnings thereon. Vesting in the Employer's discretionary profit-sharing and matching contribution portion of their account is based on years of service with the Employer. A participant becomes 20% vested after two years of service, increasing each year thereafter by 20%, with full vesting after six years of credited service.

At December 31, 2021, there were no forfeited nonvested accounts of terminated participants. These accounts will be used to reduce future Employer contributions, pay Plan expenses, and/or be allocated or reinstated to the accounts of eligible participants, as defined in the Plan Agreement.

Benefits - ESOP Component of the Plan: Participant account balances in the ESOP component of the Plan are subject to special rules relating to the timing of distributions. No ESOP distributions will be made from the Plan until a participant becomes disabled, retires, dies (in which case, the payment shall be made to his or her beneficiary or, if none, his or her legal representatives), elects diversification, or otherwise terminates employment with the Employer. Except as noted below, distributions are made in lump-sum cash payments.

For participants who terminate for reasons other than death, disability or retirement at age 60, benefit amounts relating to the ESOP component of the Plan will remain in the participant's account until the later of five years after termination or the year following the Plan year in which the note payable (see Note 6) is repaid to the Employer. Accounts less than or equal to \$1,000 will be distributed in a single lump-sum cash payment. Participants with accounts greater than \$1,000, but less than or equal to \$5,000, can elect to have their vested account balances paid in a single lump-sum or transferred to another qualified plan. Participants with account balances greater than \$15,000 may elect to have their vested balance distributed in annual installments over five years.

Benefits - 401(k) Component of the Plan: Upon the occurrence of a distributable event due to separation from service by termination, death, disability, or retirement, as defined by the Plan Agreement, a participant receives a lump-sum amount equal to the vested interest of his or her account if the value of the vested account is not greater than \$1,000 in his or her 401(k) component of the Plan. If the participant's vested account balance is greater than \$5,000, the participant may elect to have the benefit paid in a lump-sum or partial distribution, or have the payment deferred until the age of 62. Upon death or disability, the vested amount of the participant's account is paid in a lump-sum. Rollover accounts may be withdrawn at any time, as provided in the Plan Agreement. Hardship and in-service withdrawals, as well as required minimum distributions and automatic distributions to former participants, as defined in the Plan Agreement, are also permitted from a participant's account within the 401(k) component of the Plan.

Put Option: Under federal income tax regulations, the Employer's common 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 Employer buy any shares of its common stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Employer can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Diversification: Diversification is offered to participants close to retirement age so that they may have the opportunity to move part of the value of their investment in the Employer's 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 number of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. The election to diversify is made subsequent to year-end based upon the shares of the Employer's common stock in the participant's account at year-end. Participants who elect to diversify may elect to receive a cash distribution or to make a rollover to another eligible plan.

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

Plan Termination: The Employer reserves the right to terminate the Plan at any time, subject to Plan provisions and ERISA. Upon termination of the Plan, the Employer's Board of Directors should direct the Trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed common stock held as collateral 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and the 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: 1) the participant directed 401(k) component of the Plan; 2) the accounts of participants with rights in allocated stock (allocated); and 3) Employer stock not yet allocated to participants (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.

Cash: The Plan maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. The Plan has not experienced any losses in such accounts.

Investment Valuation and Income Recognition: The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Benefits Committee determines the Plan's valuation policies utilizing information provided by the Plan's investment advisor and trustees. See Note 3 for a discussion of the fair value measurements.

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

Payment of Benefits: Benefits are recorded when paid.

Expenses: Administrative expenses for maintaining the Plan may be paid by the Employer or the Plan, at the Employer's discretion. Investment expenses related to the 401(k) component of the Plan are included in net appreciation (depreciation) in fair value of investments.

Tax Status: The Internal Revenue Service (IRS) has determined and informed the Employer by a letter dated May 7, 2015, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended and restated since receiving the determination letter, the Plan Administrator believes that the Plan is designed, in compliance with the applicable requirements of the IRC. The Plan Administrator intends to correct insignificant operational errors utilizing the applicable correction program available under the Employee Plans Compliance Resolution System (EPCRS). Therefore, the Plan Administrator believes that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require the Plan's management to evaluate tax positions taken by the Plan and to recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other taxing authorities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in process.

Subsequent Events: The Plan Administrator has evaluated the financial statements for subsequent events occurring through May 16, 2023, the date the financial statements were available to be issued. See Note 10.

NOTE 3 - FAIR VALUE MEASUREMENTS

The Plan has categorized its assets and liabilities that are measured at fair value into a three-level fair value hierarchy. The hierarchy 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 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.

The three levels of the fair value hierarchy 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; and 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. In situations where there is little or no market activity for the asset or liability, the Plan makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

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

Common Stock of NASCO Industries, Inc.: Valued at the aggregate fair value as determined annually by the Trustee based on a report from an independent valuation specialist. The independent valuation specialist utilized an average value of the Discounted Cash Flow (income approach) and Comparable Public Company (market approach) methodologies based on the Employer's current and historical operations, with a certain adjustment related to lack of marketability.

Registered Investment Companies (Mutual Funds and/or Exchange-traded Funds) and Money Market Fund Shares: Valued at the daily closing price as reported by the funds. These funds are required to publish their daily net asset value (NAV) and to transact at that price. These funds held by the Plan are deemed to be actively traded.

The preceding methods 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's management 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 these assets could result in a different fair value measurement at the reporting date.

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

Following is a summary, within each level of the fair value hierarchy, of the Plan's assets that are measured at fair value on a recurring basis as of December 31, 2021 and 2020:

2021	Level 1	Level 3	Total
Common stock of NASCO Industries, Inc.		\$3,420,021	\$3,420,021
Registered investment companies	\$ 980,199		980,199
Money market fund shares	<u>118,920</u>	<u> </u>	<u>118,920</u>
Total Investments at Fair Value	<u>\$1,099,119</u>	<u>\$3,420,021</u>	<u>\$4,519,140</u>
2020			
Common stock of NASCO Industries, Inc.		\$1,651,325	\$1,651,325
Registered investment companies	\$ 716,925		716,925
Money market fund shares	<u>118,690</u>	<u> </u>	<u>118,690</u>
Total Investments at Fair Value	<u>\$ 835,615</u>	<u>\$1,651,325</u>	<u>\$2,486,940</u>

Following is a summary of the changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2021:

	Common Stock of NASCO Industries, Inc.
Balance at beginning of year	\$1,651,325
Unrealized appreciation in estimated fair value	<u>1,768,696</u>
Balance at end of year	<u>\$3,420,021</u>

Quantitative fair value disclosures about significant unobservable inputs used in the fair value measurement for the Employer's common stock have been omitted as the Plan previously adopted ASU No. 2013-09, *Fair Value Measurement (Topic 820): Deferral of the Effective Date of Certain Disclosures for Nonpublic Employee Benefit Plans in Update No. 2011-04*, which allows for the indefinite deferral of these disclosure requirements.

NOTE 4 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE (UNAUDITED INFORMATION)

Certain Plan information related to investments held at December 31, 2021 and 2020, and net appreciation or depreciation in fair value of investments, and dividends for the year ended December 31, 2021, disclosed in the accompanying financial statements and supplemental schedule was obtained by the Plan's management and agreed to or derived from information certified as complete and accurate by Charles Schwab Trust Bank, the Plan's trustee, in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

The Plan's independent auditor did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

NOTE 5 - INVESTMENT IN EMPLOYER COMMON STOCK

The Plan's investment in the Employer's common stock at December 31, 2021 and 2020, was as follows:

	2021		2020	
	Allocated	Unallocated	Allocated	Unallocated
Number of Shares	4,787	294	4,640	441
Cost	<u>\$4,460,961</u>	<u>\$205,941</u>	<u>\$4,357,991</u>	<u>\$308,911</u>
Fair Value	<u>\$3,221,995</u>	<u>\$198,026</u>	<u>\$1,508,000</u>	<u>\$143,325</u>

The net appreciation of the Employer's common stock was \$1,768,696 for the year ended December 31, 2021.

NOTE 6 - NOTE PAYABLE

On February 4, 2008, the Plan entered into a \$1,645,000 term loan agreement with the Employer. The note bears interest at 4.46% and is due in December 2023. The proceeds of the loan were used to purchase the common stock of the Employer. 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 the year's payments, plus all future years' principal and interest payments. This resulted in 147 shares being released and allocated for the Plan year ended December 31, 2021.

Aggregate annual principal maturities of the note payable at December 31, 2021, are as follows:

Payable In	Principal
2022	\$135,306
2023	<u>141,340</u>
Total	<u>\$276,646</u>

NOTE 7 - TERMINATED PARTICIPANTS

Included in net assets (deficit) available for benefits are amounts allocated to terminated participants who have vested account balances but are not eligible for a withdrawal from the Plan until they reach retirement age, become disabled, deceased, or the year following the Plan year in which the stock acquisition loan is repaid to the Employer (see Note 6). Net assets (deficit) available for benefits allocated to these individuals totaled \$454,717 and \$82,235 at December 31, 2021 and 2020, respectively.

NOTE 8 - RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50% or more of such an employer or employee association, or relatives of such persons.

Certain Plan assets are primarily invested in the Employer's common stock. As discussed in Note 6, the Plan has a note payable to the Employer for the unallocated shares held by the Plan and pays interest to the Employer. These transactions qualify as exempt party-in-interest transactions.

The Employer provides certain accounting and administrative services to the Plan for which it receives no compensation.

NOTE 9 - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities, primarily consisting of an investment in the Employer's common stock, which are exposed to various risks, such as interest rate, market and credit risks, as well as valuation assumptions based on earnings, cash flows and/or other such techniques. Due to the level of risk associated with the investment securities and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of the investment securities, primarily the Employer's common stock, will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Plan's financial statements.

NOTE 10 - SUBSEQUENT EVENTS

Effective January 25, 2022, the Employer made a change in the Plan's service providers in which Great-West Trust Company was engaged as the Plan's custodian and Empower Retirement as the Plan's recordkeeper and third-party administrator for the 401(k) component of the Plan.

Effective July 1, 2022, the Plan Agreement was amended to implement a Roth contribution provision to the 401(k) component of the Plan.

SUPPLEMENTAL SCHEDULE

NASCO INDUSTRIES, INC. EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN

EIN 35-1447214 PN 001

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) December 31, 2021

(a)	(b) and (c)	(d)	(e)	
	Identity of Issue/Description of Investment	Number of Shares	Cost	Current Value
INVESTMENTS AT FAIR VALUE:				
COMMON STOCK				
*	NASCO Industries, Inc.	5,081	\$ 4,666,902	<u>\$ 3,420,021</u>
REGISTERED INVESTMENT COMPANIES				
	American Beacon Small Cap Value Fund R6	739	**	21,191
	American Funds 2010 Target Date Retirement Fund R6	25	**	315
	American Funds 2020 Target Date Retirement Fund R6	1,523	**	21,806
	American Funds 2025 Target Date Retirement Fund R6	20,680	**	334,397
	American Funds 2030 Target Date Retirement Fund R6	1,760	**	31,457
	American Funds 2035 Target Date Retirement Fund R6	5,087	**	99,798
	American Funds 2040 Target Date Retirement Fund R6	8,920	**	184,812
	American Funds 2045 Target Date Retirement Fund R6	986	**	21,037
	American Funds 2050 Target Date Retirement Fund R6	2,865	**	60,414
	American Funds 2055 Target Date Retirement Fund R6	1,819	**	48,361
	American Funds 2060 Target Date Retirement Fund R6	1,995	**	35,667
	American Funds EuroPacific Growth Fund R6	124	**	8,024
	Carillon Eagle Mid Cap Growth Fund R6	276	**	27,216
	Metropolitan West Total Return Bond Fund	294	**	3,011
	Principal Short Term Income Institutional Fund	41	**	504
	T. Rowe Price Blue Chip Growth Fund I	35	**	6,198
	Vanguard 500 Index Fund Admiral	74	**	32,339
	Vanguard Equity Income Fund Admiral	104	**	9,567
	Vanguard Inflation Protected Securities Fund Admiral	300	**	8,543
	Vanguard Mid Cap Index Fund Admiral	24	**	7,454
	Vanguard Small Cap Index Fund Admiral	167	**	<u>18,088</u>
	Total Registered Investment Companies			980,199
MONEY MARKET FUND SHARES				
	Vanguard Federal Money Market Fund	118,920	**	118,920
CASH, INTEREST-BEARING				
		21,050	21,050	<u>21,050</u>
TOTAL				
				<u>\$ 4,540,190</u>

* Party-in-interest, but not prohibited transactions.

** Cost omitted for participant-directed investments.

NASCO INDUSTRIES, INC. EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN

EIN 35-1447214 PN 001

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) December 31, 2021

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COMMON STOCK				
*	NASCO Industries, Inc.	5,081	\$ 4,666,902	<u>\$ 3,420,021</u>
REGISTERED INVESTMENT COMPANIES				
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	Vanguard Small Cap Index Fund Admiral	167	**	<u>18,088</u>
	Total Registered Investment Companies			980,199
MONEY MARKET FUND SHARES				
	Vanguard Federal Money Market Fund	118,920	**	118,920
CASH, INTEREST-BEARING				
		21,050	21,050	<u>21,050</u>
TOTAL				
				<u>\$ 4,540,190</u>

* Party-in-interest, but not prohibited transactions.

** Cost omitted for participant-directed investments.