

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 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
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 SPEARS MANUFACTURING 401(K) PLAN	1b	Three-digit plan number (PN) ▶ 002
		1c	Effective date of plan 02/01/2010
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) SPEARS MANUFACTURING CO. 15853 OLDEN STREET SYLMAR, CA 91342		
		2b	Employer Identification Number (EIN) 95-2647135
		2c	Plan Sponsor's telephone number 818-364-1611
		2d	Business code (see instructions) 326100

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.	09/22/2023	DARLENE FOURRIEL
	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

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

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v. 220413

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN
5 Total number of participants at the beginning of the plan year		5 1366
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) 1262
a(2) Total number of active participants at the end of the plan year		6a(2) 1807
b Retired or separated participants receiving benefits		6b 4
c Other retired or separated participants entitled to future benefits.....		6c 100
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 1911
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 3
f Total. Add lines 6d and 6e		6f 1914
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 665
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 14
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: 2H 2J 2K 2T 2E 2F 3D		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply)		9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance	
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts	
(3) ☒ Trust	(3) ☒ Trust	
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules		b General Schedules
(1) ☒ R (Retirement Plan Information)	(1) ☒ H (Financial Information)	
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) ☐ I (Financial Information – Small Plan)	
(3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) ☐ 0 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 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan SPEARS MANUFACTURING 401(K) PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 SPEARS MANUFACTURING CO.	D Employer Identification Number (EIN) 95-2647135	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	19456	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

STRATEGIC ADVISORS, INC.

04-2654524

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	ADVISOR	16342	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
AS EMRG MKTS EQ ADM - DST ASSET MA 430 W 7TH STREET STE 219432 14785 PRESTON ROAD, SUITE 1000 KANSAS CITY, MO 64105	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
GLENMEDE SMCP EQ ADV - STATE STREE 04-0025081	0.40%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
PIF DIVRSD INTL INST - PRINCIPAL S 711 HIGH STREET DES MOINES, IA 50392	0.10%	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE 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 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>SPEARS MANUFACTURING 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SPEARS MANUFACTURING CO.</u>	D Employer Identification Number (EIN) <u>95-2647135</u>	

Part I	Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
Assets		(a) Beginning of Year	(b) End of Year	
a Total noninterest-bearing cash.....		1a	0	0
b Receivables (less allowance for doubtful accounts):				
(1) Employer contributions.....		1b(1)	0	0
(2) Participant contributions.....		1b(2)	0	0
(3) Other.....		1b(3)	0	0
c General investments:				
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....		1c(1)	5714224	5995396
(2) U.S. Government securities		1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):				
(A) Preferred		1c(3)(A)	0	0
(B) All other		1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):				
(A) Preferred		1c(4)(A)	0	0
(B) Common.....		1c(4)(B)	0	0
(5) Partnership/joint venture interests		1c(5)	0	0
(6) Real estate (other than employer real property)		1c(6)	0	0
(7) Loans (other than to participants).....		1c(7)	0	0
(8) Participant loans.....		1c(8)	2141708	2265857
(9) Value of interest in common/collective trusts.....		1c(9)	0	0
(10) Value of interest in pooled separate accounts		1c(10)	0	0
(11) Value of interest in master trust investment accounts.....		1c(11)	0	0
(12) Value of interest in 103-12 investment entities		1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....		1c(13)	58863077	47527192
(14) Value of funds held in insurance company general account (unallocated contracts).....		1c(14)	0	0
(15) Other		1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	66719009	55788445

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	66719009	55788445
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1206246	
(B) Participants	2a(1)(B)	2541962	
(C) Others (including rollovers)	2a(1)(C)	364	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		3748572
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	84934	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	123445	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		208379
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	3381561	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		3381561
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-13733230
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		-6394718
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4392805	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		4392805
f Corrective distributions (see instructions)	2f		77581
g Certain deemed distributions of participant loans (see instructions)	2g		29662
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	16342	
(4) Other	2i(4)	19456	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		35798
j Total expenses. Add all expense amounts in column (b) and enter total	2j		4535846
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-10930564
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

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

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

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

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

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

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

(1) Name: **MAYER HOFFMAN MCCANN PC**

(2) EIN: **43-1947695**

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		800000
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?		X	
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?		X	
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.)		X	
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?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
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.		X	
4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

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

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

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan SPEARS MANUFACTURING 401(K) PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 SPEARS MANUFACTURING CO.		D Employer Identification Number (EIN) 95-2647135
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-6568107		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock?..... ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

14	Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:		
	a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....	14a	
	b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
	c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year.....	15a	
	b The corresponding number for the second preceding plan year.....	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐		

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

SPEARS MANUFACTURING 401(k) PLAN
FINANCIAL STATEMENTS
Years Ended December 31, 2022 and 2021





INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of the
Spears Manufacturing 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed the audit of the financial statements of Spears Manufacturing 401(k) Plan (the "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 statements of net assets available for benefits as of December 31, 2022 and 2021 and the related statement of changes in net assets available for benefits for the years 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 the 2022 and 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 December 31, 2022 and 2021 and for the years ended, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

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

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

Mayer Hoffman McCann P.C.
10474 Santa Monica Blvd.
Suite 200, Los Angeles, CA 90025

Phone: 310.268.2000
Fax: 310.268.2001
mhmcpa.com





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 Auditors' 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 audits. 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 Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 these 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.

Our audits 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 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

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

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

Other Matter - Supplemental Schedule Required by ERISA

The supplemental schedule, Schedule H Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2022, 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 GAAS. 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, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental 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).

Mayer Hoffman McCann P.C.

Los Angeles, California
September 14, 2023



SPEARS MANUFACTURING 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Investments at fair value (See Note 5)	<u>\$ 53,522,588</u>	<u>\$ 64,577,301</u>
Receivables:		
Notes receivable from participants	<u>2,265,857</u>	<u>2,141,708</u>
	<u>2,265,857</u>	<u>2,141,708</u>
TOTAL ASSETS	<u>55,788,445</u>	<u>66,719,009</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 55,788,445</u></u>	<u><u>\$ 66,719,009</u></u>

See Notes to Financial Statements

SPEARS MANUFACTURING 401(k) PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Investment income:		
Net appreciation in fair value of investments	\$ -	\$ 3,666,535
Dividends	84,934	4,475,571
Interest	<u>3,381,561</u>	<u>591</u>
	<u>3,466,495</u>	<u>8,142,697</u>
Interest income on notes receivable from participants	<u>123,445</u>	<u>125,256</u>
Contributions:		
Participants	2,541,962	2,351,332
Employer	1,206,246	1,149,401
Rollover	<u>364</u>	<u>-</u>
	<u>3,748,572</u>	<u>3,500,733</u>
TOTAL ADDITIONS	<u>7,338,512</u>	<u>11,768,686</u>
Net depreciation in fair value of investments	13,733,230	-
Benefits paid to participants	4,500,048	4,457,928
Administrative expenses	<u>35,798</u>	<u>42,727</u>
TOTAL DEDUCTIONS	<u>18,269,076</u>	<u>4,500,655</u>
NET (DECREASE) INCREASE BEFORE PLAN TRANSFERS	(10,930,564)	7,268,031
TRANSFERS OUT	<u>-</u>	<u>(218,980)</u>
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>66,719,009</u>	<u>59,669,958</u>
End of year	<u><u>\$ 55,788,445</u></u>	<u><u>\$ 66,719,009</u></u>

See Notes to Financial Statements

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(1) Description of plan

The following description of the Spears Manufacturing 401(k) Plan (the "Plan") provides only general information. Participants should refer to the plan document or summary plan description for a more complete description of the Plan's provisions, which are available from the plan administrator.

General - The Plan is a defined contribution plan sponsored by Spears Manufacturing Company and affiliated companies which covers all non-executive employee participants and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The Plan covers all eligible employees of Spears Manufacturing Company and its controlled group of affiliated companies; Performance Data Systems, Inc., RWS Research & Development, Inc., Spears Caney, Inc., Plastinetics, Inc., Innovative Tools, Inc., and Spears Coastline Plastics, LLC (the "Employer"); who have attained age 21 as of the entry date; and have completed six months of service. Employees can enter the Plan on either January 1st or July 1st, once they become eligible. To be eligible for the Employer matching contributions and discretionary non-elective contributions, employees must have worked one year with a minimum of 1,000 hours.

The Plan is administered by the Employer's Administrative Committee (the "Committee"), which is a committee established by the Board of Directors of the Employer. The Committee has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Plan's Board of Directors.

Contributions - Participants may contribute up to 60% of their pretax annual compensation, as defined by the Plan, subject to maximum annual amounts allowed under the Internal Revenue Code ("IRC"). Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Additionally, participants age 50 or older, who are making contributions to the Plan, are allowed to make catch-up contributions as defined by the Plan. Certain participants have elected to make voluntary after tax contributions, which are subject to other IRC requirements. Participants direct the investment of all contributions into various investment options offered by the Plan.

The Employer may, at its sole discretion, make matching contributions based upon the participants' pre-tax contributions to the Plan, up to a maximum of 5% of compensation for employees grandfathered into the Plan upon the acquisition of Spears Coastline Plastics, LLC in 2008, and up to a maximum of 4% of compensation for all other employees. The matching formula is 50% for participants with less than 4 years of service, 75% for participants with 4 years but less than 8 years of service, and 100% for participants with 8 or more years of service. The Employer may also make additional discretionary profit sharing contributions. There were no discretionary profit sharing contributions made by the Employer for the years ended December 31, 2022 and 2021. The Employer directs the investment of employer contributions. Employer contributions are directly invested in the appropriate lifecycle funds except for those participants who utilized the managed account service.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(1) **Description of plan (continued)**

Participant investment account options - The Plan currently offers a variety of mutual funds as investment options for participants.

Participant accounts - Each participant's account is credited with the participant's contribution and allocations of (a) the Employer's contribution and (b) plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting - Participants are immediately vested in their salary deferral and after tax contributions plus the actual earnings thereon. Vesting in employer matching contributions is 20% after two years of service, with vesting increasing 20% each year thereafter until the sixth year, at which time participants become 100% vested. Vesting in employer profit sharing contributions is 20% after three years of service, with vesting increasing 20% each year thereafter until the seventh year, at which time participants become 100% vested. Participants become fully vested at early retirement, defined as age 55, if they become disabled, upon death, or upon termination of the Plan.

Notes receivable from participants - Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of the participant's vested account balance. The loans are secured by the vested balance in the participant's account and bear an interest rate of 5.62%. The interest rate for new loans is based on the rates available for similar loans from commercial lending institutions and is a fixed rate determined at the time the loan is requested. The maximum loan term is 5 years, or up to 10 years for loans used to purchase a principal residence. Principal and interest are paid ratably through bi-weekly payroll deductions. A participant may have up to two loans outstanding at any given time.

Payment of benefits - In the event of normal retirement, disability, or death, the participant's account will be distributed either in a single cash distribution, or to an individual retirement account. For termination of service due to other reasons, participants may elect to stay in the Plan or receive the value of the vested interest in their accounts. Participant account balances that are less than \$1,000 will be automatically distributed as a lump sum. Account balances between \$1,000 and \$5,000, are automatically distributed to an Individual Retirement Account. For those accounts over \$5,000, distributions can be taken at a later time and can be distributed in various ways in accordance with the plan agreement. Benefit payments upon the death of a participant are made to the beneficiary. Participants with after tax contributions can withdraw all or a portion of their contributions at any time, but no more than twice a year.

Hardship withdrawals are allowed if the participant meets the applicable provisions of the IRC.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(1) **Description of plan (continued)**

Forfeited accounts - As of December 31, 2022 and 2021, forfeited nonvested accounts totaled \$15,569 and \$854, respectively. These accounts will be used to reduce future employer contributions. Also, for the years ended December 31, 2022 and 2021, employer contributions were reduced by \$0 and \$11,633, respectively, from forfeited nonvested accounts.

(2) **Summary of significant accounting policies**

Basis of accounting - The financial statements of the Plan are prepared under the accrual method of accounting.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

Investment valuation and income recognition - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Committee determines the Plan's valuation policies utilizing information provided by the investment trustee. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are 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.

Notes receivable from participants - Notes receivable from participants are measured at their unpaid principal balance plus accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2022 or 2021. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Payment of benefits - Benefits are recorded when paid.

Administrative expenses - Certain expenses of the Plan are paid by the Employer and are not included in the statements of changes in net assets available for benefits. Fees related to the administration of notes receivable from participants are charged directly to the participant's accounts and are included in administrative expenses. Recordkeeping services are allocated to participants' account and are also included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) of fair value of investments.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(3) Nonparticipant-directed investments

Information about the net assets and the significant components of the changes in net assets relating to non-participant directed investments is as follows:

	December 31,	
	2022	2021
Net assets:		
Mutual funds	\$ 21,978,141	\$ 27,454,525
	Years Ended December 31,	
	2022	2021
Changes in net assets:		
Employer contributions	\$ 1,206,246	\$ 1,149,401
Dividends	1,875,808	2,574,194
Net (depreciation) appreciation in fair value of investments	(6,507,270)	764,882
Benefits paid to participants	(2,051,168)	(1,670,005)
	<u>\$ (5,476,384)</u>	<u>\$ 2,818,472</u>

(4) Information prepared and certified by the trustee

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity Management Trust Company ("FMTC"), the trustee of the Plan, has certified that the following data included in the accompanying financial statements and supplemental schedule are complete and accurate with respect to investments:

- Investments at fair value
- Notes receivable from participants
- Net (depreciation) appreciation in fair value of investments
- Interest and dividends
- Interest income on notes receivable from participants
- Schedule of assets (held at end of year)

The Plan's independent public accountants 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.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(5) 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 the Financial Accounting Standards Board ("FASB") Accounting Standards Committee ("ASC") 820, Fair Value Measurements, are described below:

- | | |
|---------|---|
| 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 and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market 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. |

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 the methodologies used at December 31, 2022 and 2021.

Money market account: Valued at cost, which approximates fair value.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. The mutual funds held by the Plan are deemed to be actively traded.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(5) Fair value measurements (continued)

The following tables set forth the Plan's investments at fair value as of December 31, 2022 and 2021:

	Investments at Fair Value as of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 53,522,588	\$ -	\$ -	\$ 53,522,588
Total investments at fair value	<u>\$ 53,522,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,522,588</u>

	Investments at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Money market account	\$ 5,714,224	\$ -	\$ -	\$ 5,714,224
Mutual funds	<u>58,863,077</u>	<u>-</u>	<u>-</u>	<u>58,863,077</u>
Total investments at fair value	<u>\$ 64,577,301</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,577,301</u>

(6) Related party transactions and party-in-interest transactions

Certain plan investments are shares of mutual funds and a money market account managed by FMTC. FMTC is the trustee as defined by the Plan and Fidelity Investments Institutional is the recordkeeper, therefore, these transactions qualify as party-in-interest transactions.

FMTC provides certain administrative services to the Plan pursuant to the Fidelity Investments Retirement Plan Service Agreement (the "Service Agreement") between the Company and FMTC. FMTC receives revenue from mutual fund service providers for services FMTC provides to the funds. This revenue is used to offset certain amounts owed to FMTC for its administrative services to the Plan.

If the revenue received by FMTC from such mutual fund service providers exceeds the amount owed under the Service Agreement, FMTC remits the excess to the Plan's trust on a quarterly basis. Such amounts may be applied to pay plan administrative expenses or allocated to the accounts of participants. During 2022 and 2021 there were no excess amounts. The Plan or plan sponsor may make payments to the recordkeeper for administrative expenses not covered by revenue sharing.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(6) Related party transactions and party-in-interest transactions (continued)

Fees incurred by the Plan for the investment management services are included in net appreciation (depreciation) in fair value of the investments, as they are paid through revenue sharing, rather than a direct payment. As described in Note 2, the Plan made direct payments to the recordkeeper of \$19,456 and \$19,206 for the years ended December 31, 2022 and 2021, respectively, which were not covered by revenue sharing. The Plan also made direct payments to Strategic Advisers, Inc. of \$16,342 and \$23,521 for the years ended December 31, 2022 and 2021, respectively, for investment adviser services, which as defined by the Plan qualify as party-in-interest transactions. The plan sponsor pays directly any other fees related to the Plan's operations.

(7) Plan termination

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

(8) Tax status

The Internal Revenue Service ("IRS") has determined that the Volume Submitter Profit Sharing Plan with CODA is designed in accordance with applicable sections of the IRC and informed the custodian of such in a letter dated March 31, 2014. Although the Plan has been amended since receiving the opinion letter, the plan administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the IRC.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax 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.

(9) Risks and uncertainties

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

At December 31, 2022 and 2021, approximately 19% and 21% of the Plan's investments were invested in Fidelity Balanced K Fund, respectively.

(10) Subsequent events

The Plan has evaluated subsequent events through September 14, 2023, which is the date the financial statements were available to be issued. No significant matters were identified for disclosure during this evaluation.

SUPPLEMENTAL SCHEDULE

SPEARS MANUFACTURING 401(k) PLAN

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

December 31, 2022

EIN: 95-2647135
Plan Number: 002

(a)	(b)	(c)	(d)	(e)	
Identity of issuer, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Current value		
	Mutual Funds				
* Fidelity	Fidelity Balanced K	\$ 10,324,153	\$ 10,192,833	(A)	
* Fidelity	Fidelity Government Money Market Fund K6	5,995,396	5,995,396	(A)	
* Fidelity	Fidelity Freedom 2030 K	6,416,794	5,365,750	(A)	
* Fidelity	Fidelity ContraFund K6	4,513,451	4,947,609	(A)	
* Fidelity	Fidelity Freedom 2025 K	4,863,970	4,055,336	(A)	
* Fidelity	Fidelity Freedom 2035 K	4,295,228	3,644,588	(A)	
* Fidelity	Fidelity 500 Index	2,467,846	2,838,867	(A)	
* Fidelity	Fidelity Freedom 2020 K	3,032,263	2,425,432	(A)	
* Fidelity	Fidelity Freedom 2040 K	2,784,702	2,362,280	(A)	
JP Morgan	JPMorgan Equity Income R6	1,490,599	2,017,089	(A)	
* Fidelity	Fidelity US Bond Index	1,960,482	1,813,480	(A)	
* Fidelity	Fidelity Freedom 2015 K	1,541,207	1,230,999	(A)	
Janus Henderson	Janus Henderson Enterprise N	1,286,800	1,127,109	(A)	
* Fidelity	Fidelity Freedom 2045 K	1,265,731	1,079,974	(A)	
MFS	MFS Mid Cap Value Fund Class R6	961,033	896,957	(A)	
* Fidelity	Fidelity Freedom 2050 K	756,248	649,158	(A)	
* Fidelity	Fidelity International Index	615,429	572,910	(A)	
* Fidelity	Fidelity Freedom 2055 K	641,227	552,891	(A)	
PIMCO	PIMCO Total RT Inst	570,707	487,134	(A)	
Glenmede	Glenmede Small-Cap Equity Adv	362,892	354,310	(A)	
* Fidelity	Fidelity Freedom 2060 K	246,754	215,640	(A)	
* Fidelity	Fidelity Extend Market Index	247,307	206,285	(A)	
Allspring	Allspring Emerging Markets Equity Adm	187,132	169,254	(A)	
* Fidelity	Fidelity Freedom 2010 K	172,580	141,956	(A)	
* Fidelity	Fidelity Freedom Inc K	112,654	97,055	(A)	
Principal	Principal Diversified International	65,189	56,417	(A)	
* Fidelity	Fidelity Freedom 2005 K	25,579	21,918	(A)	
* Fidelity	Fidelity Freedom 2065 K	4,180	3,958	(A)	
		<u>57,207,531</u>	<u>53,522,588</u>		
	Total investments	57,207,531	53,522,588		
* Participant loans	Secured by participant vested interest, with interest rates of 5.62% per annum, and maturity ranging between 1-10 years	<u>-0-</u>	<u>2,265,857</u>		
		<u>\$ 57,207,531</u>	<u>\$ 55,788,445</u>		

* Denotes party-in-interest as defined by ERISA

(A) Portions of the balances invested in these funds are non-participant directed.

SPEARS MANUFACTURING 401(k) PLAN
FINANCIAL STATEMENTS
Years Ended December 31, 2022 and 2021





INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of the
Spears Manufacturing 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed the audit of the financial statements of Spears Manufacturing 401(k) Plan (the "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 statements of net assets available for benefits as of December 31, 2022 and 2021 and the related statement of changes in net assets available for benefits for the years 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 the 2022 and 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 December 31, 2022 and 2021 and for the years ended, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

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

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

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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 Auditors' 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 audits. 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 Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 these 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.

Our audits 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 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

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

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

Other Matter - Supplemental Schedule Required by ERISA

The supplemental schedule, Schedule H Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2022, 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 GAAS. 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, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental 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).

Mayer Hoffman McCann P.C.

Los Angeles, California
September 14, 2023



SPEARS MANUFACTURING 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Investments at fair value (See Note 5)	<u>\$ 53,522,588</u>	<u>\$ 64,577,301</u>
Receivables:		
Notes receivable from participants	<u>2,265,857</u>	<u>2,141,708</u>
	<u>2,265,857</u>	<u>2,141,708</u>
 TOTAL ASSETS	 <u>55,788,445</u>	 <u>66,719,009</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u><u>\$ 55,788,445</u></u>	 <u><u>\$ 66,719,009</u></u>

See Notes to Financial Statements

SPEARS MANUFACTURING 401(k) PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Investment income:		
Net appreciation in fair value of investments	\$ -	\$ 3,666,535
Dividends	84,934	4,475,571
Interest	3,381,561	591
	<u>3,466,495</u>	<u>8,142,697</u>
Interest income on notes receivable from participants	<u>123,445</u>	<u>125,256</u>
Contributions:		
Participants	2,541,962	2,351,332
Employer	1,206,246	1,149,401
Rollover	364	-
	<u>3,748,572</u>	<u>3,500,733</u>
TOTAL ADDITIONS	<u>7,338,512</u>	<u>11,768,686</u>
Net depreciation in fair value of investments	13,733,230	-
Benefits paid to participants	4,500,048	4,457,928
Administrative expenses	35,798	42,727
TOTAL DEDUCTIONS	<u>18,269,076</u>	<u>4,500,655</u>
NET (DECREASE) INCREASE BEFORE PLAN TRANSFERS	(10,930,564)	7,268,031
TRANSFERS OUT	<u>-</u>	<u>(218,980)</u>
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>66,719,009</u>	<u>59,669,958</u>
End of year	<u>\$ 55,788,445</u>	<u>\$ 66,719,009</u>

See Notes to Financial Statements

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(1) Description of plan

The following description of the Spears Manufacturing 401(k) Plan (the "Plan") provides only general information. Participants should refer to the plan document or summary plan description for a more complete description of the Plan's provisions, which are available from the plan administrator.

General - The Plan is a defined contribution plan sponsored by Spears Manufacturing Company and affiliated companies which covers all non-executive employee participants and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The Plan covers all eligible employees of Spears Manufacturing Company and its controlled group of affiliated companies; Performance Data Systems, Inc., RWS Research & Development, Inc., Spears Caney, Inc., Plastinetics, Inc., Innovative Tools, Inc., and Spears Coastline Plastics, LLC (the "Employer"); who have attained age 21 as of the entry date; and have completed six months of service. Employees can enter the Plan on either January 1st or July 1st, once they become eligible. To be eligible for the Employer matching contributions and discretionary non-elective contributions, employees must have worked one year with a minimum of 1,000 hours.

The Plan is administered by the Employer's Administrative Committee (the "Committee"), which is a committee established by the Board of Directors of the Employer. The Committee has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Plan's Board of Directors.

Contributions - Participants may contribute up to 60% of their pretax annual compensation, as defined by the Plan, subject to maximum annual amounts allowed under the Internal Revenue Code ("IRC"). Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Additionally, participants age 50 or older, who are making contributions to the Plan, are allowed to make catch-up contributions as defined by the Plan. Certain participants have elected to make voluntary after tax contributions, which are subject to other IRC requirements. Participants direct the investment of all contributions into various investment options offered by the Plan.

The Employer may, at its sole discretion, make matching contributions based upon the participants' pre-tax contributions to the Plan, up to a maximum of 5% of compensation for employees grandfathered into the Plan upon the acquisition of Spears Coastline Plastics, LLC in 2008, and up to a maximum of 4% of compensation for all other employees. The matching formula is 50% for participants with less than 4 years of service, 75% for participants with 4 years but less than 8 years of service, and 100% for participants with 8 or more years of service. The Employer may also make additional discretionary profit sharing contributions. There were no discretionary profit sharing contributions made by the Employer for the years ended December 31, 2022 and 2021. The Employer directs the investment of employer contributions. Employer contributions are directly invested in the appropriate lifecycle funds except for those participants who utilized the managed account service.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(1) **Description of plan (continued)**

Participant investment account options - The Plan currently offers a variety of mutual funds as investment options for participants.

Participant accounts - Each participant's account is credited with the participant's contribution and allocations of (a) the Employer's contribution and (b) plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting - Participants are immediately vested in their salary deferral and after tax contributions plus the actual earnings thereon. Vesting in employer matching contributions is 20% after two years of service, with vesting increasing 20% each year thereafter until the sixth year, at which time participants become 100% vested. Vesting in employer profit sharing contributions is 20% after three years of service, with vesting increasing 20% each year thereafter until the seventh year, at which time participants become 100% vested. Participants become fully vested at early retirement, defined as age 55, if they become disabled, upon death, or upon termination of the Plan.

Notes receivable from participants - Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of the participant's vested account balance. The loans are secured by the vested balance in the participant's account and bear an interest rate of 5.62%. The interest rate for new loans is based on the rates available for similar loans from commercial lending institutions and is a fixed rate determined at the time the loan is requested. The maximum loan term is 5 years, or up to 10 years for loans used to purchase a principal residence. Principal and interest are paid ratably through bi-weekly payroll deductions. A participant may have up to two loans outstanding at any given time.

Payment of benefits - In the event of normal retirement, disability, or death, the participant's account will be distributed either in a single cash distribution, or to an individual retirement account. For termination of service due to other reasons, participants may elect to stay in the Plan or receive the value of the vested interest in their accounts. Participant account balances that are less than \$1,000 will be automatically distributed as a lump sum. Account balances between \$1,000 and \$5,000, are automatically distributed to an Individual Retirement Account. For those accounts over \$5,000, distributions can be taken at a later time and can be distributed in various ways in accordance with the plan agreement. Benefit payments upon the death of a participant are made to the beneficiary. Participants with after tax contributions can withdraw all or a portion of their contributions at any time, but no more than twice a year.

Hardship withdrawals are allowed if the participant meets the applicable provisions of the IRC.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(1) **Description of plan (continued)**

Forfeited accounts - As of December 31, 2022 and 2021, forfeited nonvested accounts totaled \$15,569 and \$854, respectively. These accounts will be used to reduce future employer contributions. Also, for the years ended December 31, 2022 and 2021, employer contributions were reduced by \$0 and \$11,633, respectively, from forfeited nonvested accounts.

(2) **Summary of significant accounting policies**

Basis of accounting - The financial statements of the Plan are prepared under the accrual method of accounting.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

Investment valuation and income recognition - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Committee determines the Plan's valuation policies utilizing information provided by the investment trustee. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are 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.

Notes receivable from participants - Notes receivable from participants are measured at their unpaid principal balance plus accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2022 or 2021. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Payment of benefits - Benefits are recorded when paid.

Administrative expenses - Certain expenses of the Plan are paid by the Employer and are not included in the statements of changes in net assets available for benefits. Fees related to the administration of notes receivable from participants are charged directly to the participant's accounts and are included in administrative expenses. Recordkeeping services are allocated to participants' account and are also included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) of fair value of investments.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(3) Nonparticipant-directed investments

Information about the net assets and the significant components of the changes in net assets relating to non-participant directed investments is as follows:

	December 31,	
	2022	2021
Net assets:		
Mutual funds	\$ 21,978,141	\$ 27,454,525
	Years Ended December 31,	
	2022	2021
Changes in net assets:		
Employer contributions	\$ 1,206,246	\$ 1,149,401
Dividends	1,875,808	2,574,194
Net (depreciation) appreciation in fair value of investments	(6,507,270)	764,882
Benefits paid to participants	(2,051,168)	(1,670,005)
	<u>\$ (5,476,384)</u>	<u>\$ 2,818,472</u>

(4) Information prepared and certified by the trustee

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity Management Trust Company ("FMTC"), the trustee of the Plan, has certified that the following data included in the accompanying financial statements and supplemental schedule are complete and accurate with respect to investments:

- Investments at fair value
- Notes receivable from participants
- Net (depreciation) appreciation in fair value of investments
- Interest and dividends
- Interest income on notes receivable from participants
- Schedule of assets (held at end of year)

The Plan's independent public accountants 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.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(5) 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 the Financial Accounting Standards Board ("FASB") Accounting Standards Committee ("ASC") 820, Fair Value Measurements, are described below:

- | | |
|---------|---|
| 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 and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market 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. |

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 the methodologies used at December 31, 2022 and 2021.

Money market account: Valued at cost, which approximates fair value.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. The mutual funds held by the Plan are deemed to be actively traded.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(5) Fair value measurements (continued)

The following tables set forth the Plan's investments at fair value as of December 31, 2022 and 2021:

	Investments at Fair Value as of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 53,522,588	\$ -	\$ -	\$ 53,522,588
Total investments at fair value	<u>\$ 53,522,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,522,588</u>

	Investments at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Money market account	\$ 5,714,224	\$ -	\$ -	\$ 5,714,224
Mutual funds	<u>58,863,077</u>	<u>-</u>	<u>-</u>	<u>58,863,077</u>
Total investments at fair value	<u>\$ 64,577,301</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,577,301</u>

(6) Related party transactions and party-in-interest transactions

Certain plan investments are shares of mutual funds and a money market account managed by FMTC. FMTC is the trustee as defined by the Plan and Fidelity Investments Institutional is the recordkeeper, therefore, these transactions qualify as party-in-interest transactions.

FMTC provides certain administrative services to the Plan pursuant to the Fidelity Investments Retirement Plan Service Agreement (the "Service Agreement") between the Company and FMTC. FMTC receives revenue from mutual fund service providers for services FMTC provides to the funds. This revenue is used to offset certain amounts owed to FMTC for its administrative services to the Plan.

If the revenue received by FMTC from such mutual fund service providers exceeds the amount owed under the Service Agreement, FMTC remits the excess to the Plan's trust on a quarterly basis. Such amounts may be applied to pay plan administrative expenses or allocated to the accounts of participants. During 2022 and 2021 there were no excess amounts. The Plan or plan sponsor may make payments to the recordkeeper for administrative expenses not covered by revenue sharing.

SPEARS MANUFACTURING 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

(6) Related party transactions and party-in-interest transactions (continued)

Fees incurred by the Plan for the investment management services are included in net appreciation (depreciation) in fair value of the investments, as they are paid through revenue sharing, rather than a direct payment. As described in Note 2, the Plan made direct payments to the recordkeeper of \$19,456 and \$19,206 for the years ended December 31, 2022 and 2021, respectively, which were not covered by revenue sharing. The Plan also made direct payments to Strategic Advisers, Inc. of \$16,342 and \$23,521 for the years ended December 31, 2022 and 2021, respectively, for investment adviser services, which as defined by the Plan qualify as party-in-interest transactions. The plan sponsor pays directly any other fees related to the Plan's operations.

(7) Plan termination

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

(8) Tax status

The Internal Revenue Service ("IRS") has determined that the Volume Submitter Profit Sharing Plan with CODA is designed in accordance with applicable sections of the IRC and informed the custodian of such in a letter dated March 31, 2014. Although the Plan has been amended since receiving the opinion letter, the plan administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the IRC.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax 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.

(9) Risks and uncertainties

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

At December 31, 2022 and 2021, approximately 19% and 21% of the Plan's investments were invested in Fidelity Balanced K Fund, respectively.

(10) Subsequent events

The Plan has evaluated subsequent events through September 14, 2023, which is the date the financial statements were available to be issued. No significant matters were identified for disclosure during this evaluation.

SUPPLEMENTAL SCHEDULE

SPEARS MANUFACTURING 401(k) PLAN

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

December 31, 2022

EIN: 95-2647135
Plan Number: 002

(a)	(b)	(c)	(d)	(e)	
Identity of issuer, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Current value		
	Mutual Funds				
* Fidelity	Fidelity Balanced K	\$ 10,324,153	\$ 10,192,833	(A)	
* Fidelity	Fidelity Government Money Market Fund K6	5,995,396	5,995,396	(A)	
* Fidelity	Fidelity Freedom 2030 K	6,416,794	5,365,750	(A)	
* Fidelity	Fidelity ContraFund K6	4,513,451	4,947,609	(A)	
* Fidelity	Fidelity Freedom 2025 K	4,863,970	4,055,336	(A)	
* Fidelity	Fidelity Freedom 2035 K	4,295,228	3,644,588	(A)	
* Fidelity	Fidelity 500 Index	2,467,846	2,838,867	(A)	
* Fidelity	Fidelity Freedom 2020 K	3,032,263	2,425,432	(A)	
* Fidelity	Fidelity Freedom 2040 K	2,784,702	2,362,280	(A)	
JP Morgan	JPMorgan Equity Income R6	1,490,599	2,017,089	(A)	
* Fidelity	Fidelity US Bond Index	1,960,482	1,813,480	(A)	
* Fidelity	Fidelity Freedom 2015 K	1,541,207	1,230,999	(A)	
Janus Henderson	Janus Henderson Enterprise N	1,286,800	1,127,109	(A)	
* Fidelity	Fidelity Freedom 2045 K	1,265,731	1,079,974	(A)	
MFS	MFS Mid Cap Value Fund Class R6	961,033	896,957	(A)	
* Fidelity	Fidelity Freedom 2050 K	756,248	649,158	(A)	
* Fidelity	Fidelity International Index	615,429	572,910	(A)	
* Fidelity	Fidelity Freedom 2055 K	641,227	552,891	(A)	
PIMCO	PIMCO Total RT Inst	570,707	487,134	(A)	
Glenmede	Glenmede Small-Cap Equity Adv	362,892	354,310	(A)	
* Fidelity	Fidelity Freedom 2060 K	246,754	215,640	(A)	
* Fidelity	Fidelity Extend Market Index	247,307	206,285	(A)	
Allspring	Allspring Emerging Markets Equity Adm	187,132	169,254	(A)	
* Fidelity	Fidelity Freedom 2010 K	172,580	141,956	(A)	
* Fidelity	Fidelity Freedom Inc K	112,654	97,055	(A)	
Principal	Principal Diversified International	65,189	56,417	(A)	
* Fidelity	Fidelity Freedom 2005 K	25,579	21,918	(A)	
* Fidelity	Fidelity Freedom 2065 K	4,180	3,958	(A)	
		<u>57,207,531</u>	<u>53,522,588</u>		
	Total investments	57,207,531	53,522,588		
* Participant loans	Secured by participant vested interest, with interest rates of 5.62% per annum, and maturity ranging between 1-10 years	<u>-0-</u>	<u>2,265,857</u>		
		<u>\$ 57,207,531</u>	<u>\$ 55,788,445</u>		

* Denotes party-in-interest as defined by ERISA

(A) Portions of the balances invested in these funds are non-participant directed.