

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 <u>01/01/2022</u> and ending <u>12/31/2022</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information —enter all requested information		
1a Name of plan	<u>THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN</u>		1b Three-digit plan number (PN) ▶ <u>001</u>
			1c Effective date of plan <u>01/01/1999</u>
2a Plan sponsor's name (employer, if for a single-employer plan)	Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>THE CENTRAL ORTHOPEDIC GROUP, LLP</u> <u>651 OLD COUNTRY ROAD</u> <u>PLAINVIEW, NY 11803</u>		2b Employer Identification Number (EIN) <u>11-3446012</u>
			2c Plan Sponsor's telephone number <u>516-681-8822</u>
			2d Business code (see instructions) <u>621111</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/04/2023	LILBY WEISS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2022)
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		5 135
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) 81
a(2) Total number of active participants at the end of the plan year		6a(2) 110
b Retired or separated participants receiving benefits		6b 0
c Other retired or separated participants entitled to future benefits.....		6c 46
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 156
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 0
f Total. Add lines 6d and 6e		6f 156
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 112
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 5
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2F 2G 2J 2K 2T 3B 2A 3D 2E		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ 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 THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 THE CENTRAL ORTHOPEDIC GROUP, LLP	D Employer Identification Number (EIN) 11-3446012	

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)

MORGAN STANLEY SMITH BARNEY LLC

20-8764829

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26	INVESTMENT ADVISOR	21620	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(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	2615	Yes ☒ No ☐	Yes ☒ No ☐	0	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.	
J H GLB RESEARCH I - JANUS HENDERS 151 DETROIT STREET DENVER, CO 80206	0.10%	
(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.	
MSIF GROWTH I - DST ASSET MANAGER 430 W 7TH STREET STE 219432 KANSAS CITY, MO 64105	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) 001	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 THE CENTRAL ORTHOPEDIC GROUP, LLP	D Employer Identification Number (EIN) 11-3446012	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: INVESCO STBL VAL III		
b Name of sponsor of entity listed in (a): INVESCO TRUST COMPANY		
c EIN-PN 84-1142974-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 243324
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

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

Part II **Information on Participating Plans (to be completed by DFEs)**

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

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 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>THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THE CENTRAL ORTHOPEDIC GROUP, LLP</u>	D Employer Identification Number (EIN) <u>11-3446012</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
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....		1b(1)	589766
(2) Participant contributions.....		1b(2)	169000
(3) Other.....		1b(3)	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....		1c(1)	0
(2) U.S. Government securities		1c(2)	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred		1c(3)(A)	0
(B) All other		1c(3)(B)	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred		1c(4)(A)	0
(B) Common.....		1c(4)(B)	0
(5) Partnership/joint venture interests		1c(5)	0
(6) Real estate (other than employer real property)		1c(6)	0
(7) Loans (other than to participants).....		1c(7)	0
(8) Participant loans.....		1c(8)	50672
(9) Value of interest in common/collective trusts.....		1c(9)	189662
(10) Value of interest in pooled separate accounts		1c(10)	0
(11) Value of interest in master trust investment accounts.....		1c(11)	0
(12) Value of interest in 103-12 investment entities		1c(12)	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....		1c(13)	13466025
(14) Value of funds held in insurance company general account (unallocated contracts).....		1c(14)	0
(15) Other		1c(15)	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	14465125	9700937

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	542	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	542	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	14464583	9700937
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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)	568085	
(B) Participants	2a(1)(B)	466786	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1034871
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	2176	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2176
(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)	400286	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		400286
(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)		3260
(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)		-3858374
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		-2417781
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2318560	
(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)		2318560
f Corrective distributions (see instructions)	2f		554
g Certain deemed distributions of participant loans (see instructions)	2g		0
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)	2516	
(4) Other	2i(4)	24235	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		26751
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2345865
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-4763646
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: **LILLING & COMPANY LLP**

(2) EIN: **13-3447681**

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		13047

	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		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n		X	

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation		Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.		OMB No. 1210-0110 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 THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN				B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 THE CENTRAL ORTHOPEDIC GROUP, LLP				D Employer Identification Number (EIN) 11-3446012	
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

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 _____

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

***INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS WITH
SUPPLEMENTAL INFORMATION***

DECEMBER 31, 2022 AND 2021

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

DECEMBER 31, 2022 AND 2021

Table of Contents

Independent Auditor's Report	1 – 4
Statements of Net Assets Available for Benefits	5
Statement of Changes in Net Assets Available for Benefits	6
Notes to Financial Statements	7 – 14
Supplemental Information	
Schedule of Delinquent Contributions	15
Schedule of Assets (Held at End of Year)	16 – 17



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INDEPENDENT AUDITOR'S REPORT

**To the Plan Administrator of
The Central Orthopedic Group, LLP 401(k) Profit Sharing Plan**

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

We have performed audits of the financial statements of The Central Orthopedic Group, LLP 401(k) Profit Sharing 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 year ended December 31, 2022, and the related notes to the financial statements (financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's 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 audits 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 certifications from a qualified institution as of December 31, 2022 and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

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

- 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).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our 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 for one year after the date the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually

or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 Schedules Required by ERISA

The supplemental Schedule of Delinquent Participant Contributions for the year ended December 31, 2022 and Schedule of Assets (Held at End of Year) as of December 31, 2022, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other

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

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

In our opinion:

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

A handwritten signature in black ink that reads "Silling + Company". The signature is written in a cursive, flowing style.

CERTIFIED PUBLIC ACCOUNTANTS
Port Washington, New York
September 29, 2023

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31,

	<u>2022</u>	<u>2021</u>
ASSETS		
Investments, at fair value	<u>\$ 8,874,418</u>	<u>13,655,687</u>
Receivables		
Notes receivable from participants	71,618	70,442
Participant contributions	204,000	169,000
Employer contributions	<u>568,085</u>	<u>589,766</u>
	<u>843,703</u>	<u>829,208</u>
Total Assets	<u>9,718,121</u>	<u>14,484,895</u>
LIABILITIES		
Excess contributions payable	<u>-</u>	<u>542</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 9,718,121</u></u>	<u><u>\$ 14,484,353</u></u>

See notes to financial statements

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS YEAR ENDED DECEMBER 31, 2022

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Investment income (loss)

Net change in fair value of investments	\$ (3,855,114)
Dividends	400,286
	<u>(3,454,828)</u>

Interest income from notes receivable from participants	<u>2,176</u>
---	--------------

Contributions

Participant	466,786
Employer	568,085
	<u>1,034,871</u>

TOTAL ADDITIONS	<u>(2,417,781)</u>
------------------------	---------------------------

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants	2,321,700
Administrative expenses	26,751
	<u>2,348,451</u>

TOTAL DEDUCTIONS	<u>2,348,451</u>
-------------------------	-------------------------

NET CHANGE	(4,766,232)
-------------------	--------------------

NET ASSETS AVAILABLE FOR BENEFITS

-BEGINNING OF YEAR	<u>14,484,353</u>
-END OF YEAR	<u><u>\$ 9,718,121</u></u>

See notes to financial statements

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

1. DESCRIPTION OF PLAN

The following description of the The Central Orthopedic Group, LLP 401(k) Profit Sharing Plan ("Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan, established on January 1, 1999 and most recently restated effective May 24, 2022, is a 401(k) and Profit Sharing Plan subject to the provisions of the Employees Retirement Income Security Act of 1974 ("ERISA"). The Plan covers substantially all employees of The Central Orthopedic Group, LLP (the "Company") who have attained 21 years of age and are not nonresident aliens or union employees. Employees can enter the Plan and begin making elective deferrals immediately upon meeting the eligibility requirements. To be eligible for the Company nonelective contributions and matching contributions, employees must have completed one year of service. The entry date for purposes of the Company nonelective contributions and matching contributions is January 1st or July 1st coincident with or subsequent to satisfying the eligibility requirements.

Prior to April 1st, 2022, employees became eligible to make elective deferrals upon attaining one year of service and could enter the plan on the January 1st or July 1st coincident with or subsequent to satisfying the eligibility requirements.

Contributions

The Plan allows for both pre-tax Salary Deferrals and Roth contributions. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Rollover contributions are subject to the terms of the Plan and are fully vested and non-forfeitable. The Company, at its discretion, may make nonelective employer contributions to the Plan, which are allocated to the participants based off of allocation groups based off of employee compensation. For the year ended December 31, 2022, the Company made nonelective contributions of \$568,085 to the Plan. The Company, at its discretion, may elect to make matching contributions to the Plan. In order to be eligible for matching contributions, a participant must have worked 1,000 hours of service during the year and be employed as of the last day of the Plan year. For the year ended December 31, 2022, the Company did not make any matching contributions. Contributions are subject to certain statutory limitations.

Participant Accounts

Each participant's account is credited with the participant's contributions, an allocation of the nonelective employer contributions and matching contributions, if any, and Plan

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants direct the investment of their balances into various investment options offered by the Plan. If participants do not select an investment option, their accounts under the Plan are automatically invested in the Plan's Qualified Default Investment Alternative ("QDIA"), unless the employee elects otherwise. The Plan has elected the Vanguard Target Retirement series funds as its QDIA.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the nonelective employer contribution and matching contribution portions of their accounts is based on years of continuous service as follows.

<u>Years of Service</u>	<u>Percent Vested</u>
Less than 1	0%
1	25%
2	50%
3	75%
4 or more	100%

Notes Receivable from Participants

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

Payment of Benefits

On termination of service due to death, disability, retirement or other reasons, a participant may receive a lump sum amount equal to the value of the participant's vested interest in his or her account balance. Participants shall be entitled to receive in-service withdrawals upon attainment of age 59 ½ or as a hardship distribution, as defined in the Plan document.

Forfeitures

At December 31, 2022 and 2021, forfeited non-vested accounts totaled \$22,526 and \$19,811, respectively. Forfeitures, if any, can be used to reduce employer contributions or

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

pay Plan expenses. During the year ended December 31, 2022, the Plan allocated \$19,248 from forfeitures to reduce employer contributions and did not use any forfeitures to pay Plan expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 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 change in fair value of investments 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 any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2022 and 2021. Delinquent participant loans are recorded as distributions on the basis of the terms of the Plan document

Excess Contributions Payable

Amounts payable to participants for contributions in excess of amounts allowed by the Internal Revenue Service ("IRS") are recorded as a liability with a corresponding deduction to contributions. The Plan distributed the 2021 excess contributions to the applicable participant prior to the applicable IRS deadline of the respective subsequent year.

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

Payment of Benefits

Benefits are recorded when paid.

Expenses

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

3. CERTIFIED INFORMATION

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including investments, at fair value, and notes receivable from participants held at December 31, 2022 and 2021, and net change in fair value of investments, dividends, and interest income from notes receivable from participants for the year ended December 31, 2022, was obtained by management and agreed to or derived from information certified as complete and accurate by Fidelity Management Trust Company, the trustee of the Plan.

4. FAIR VALUE MEASUREMENTS

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

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

Level 2 Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

- 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Mutual Funds

Valued at the daily closing price as reported by the fund. The mutual funds held by the Plan are deemed to be actively traded.

Common Investment Trust

Common Investment Trusts are not publicly quoted and are priced at net asset value ("NAV"). ASC 820 allows NAV per share to serve as a practical expedient to estimate fair value.

The following tables set forth, by level within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

	Assets at Fair Value as of December 31, 2022			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 8,631,094	\$ -	\$ -	\$ 8,631,094
Total assets in the fair value hierarchy	<u>8,631,094</u>	<u>-</u>	<u>-</u>	<u>8,631,094</u>
Investments measured at NAV ^(a)				<u>243,324</u>
Investments at fair value				<u>\$ 8,874,418</u>

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

	Assets at Fair Value as of December 31, 2021			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 13,466,025	\$ -	\$ -	\$ 13,466,025
Total assets in the fair value hierarchy	<u>13,466,025</u>	<u>-</u>	<u>-</u>	<u>13,466,025</u>
Investments measured at NAV ^(a)				<u>189,662</u>
Investments at fair value				<u>\$ 13,655,687</u>

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

Gains and losses included in the statement of changes in net assets available for benefits for the year ended December 31, 2022, are reported in net change in fair value of investments.

The Plan's policy is to recognize transfers between Level 1 and 2 and into and out of Level 3 as of the date of the event or change in circumstances that caused the transfer. For the year ended December 31, 2022, there were no significant transfers between Level 1 and 2 and no transfers into or out of Level 3.

Investments Measured Using the NAV per Share Practical Expedient

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2022 and 2021.

	<u>Fair Value at 12/31/22</u>	<u>Unfunded Commitments</u>	Redemptions Frequency (if currently eligible)	Redemption Notice Period
Common Investment Trust	\$ 243,324	N/A	Daily	None*

	<u>Fair Value at 12/31/21</u>	<u>Unfunded Commitments</u>	Redemptions Frequency (if currently eligible)	Redemption Notice Period
Common Investment Trust	\$ 189,662	N/A	Daily	None*

* Redemptions initiated by the Company require a twelve month advance written notice.

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Fidelity Workplace Services LLC (“Fidelity”) is the recordkeeper of the Plan and therefore certain transactions qualify as exempt party-in-interest transactions. Administrative fees of \$2,615 were paid to Fidelity from the Plan during the year ended December 31, 2022.

Morgan Stanley Smith Barney LLC (“Morgan Stanley”) is the Plan’s investment advisor and therefore certain transactions qualify as exempt party-in-interest transactions. Investment advisory fees of \$21,620 were paid to Morgan Stanley from the Plan during the year ended December 31, 2022.

Participant contributions not transmitted by the Company within the time period set forth in the Department of Labor’s regulation CFR 2510.3-102 are considered nonexempt prohibited transactions under ERISA. Participant contributions remitted during the year that constitute nonexempt prohibited transactions are reported by the Plan in the accompanying supplemental schedule as required.

6. PLAN TERMINATION

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

7. TAX STATUS

The Plan has adopted a non-standardized pre-approved profit sharing plan with CODA and is relying on an opinion letter received from FMR LLC dated June 30, 2020, stating that the IRS has determined that the pre-approved plan adopted by the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believes the Plan is qualified, and the related trust is tax-exempt.

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

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

8. RISKS AND UNCERTAINTIES

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

9. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following schedule is a reconciliation of net assets available for benefits at December 31, 2022, and 2021 and benefits paid during the year ended December 31, 2022 per the financial statements to Schedule H of Form 5500:

	<u>2022</u>	<u>2021</u>
Net assets available for benefits per the financial statements	\$ 9,718,121	\$ 14,484,353
Less: Deemed distributed participant loans	<u>(17,184)</u>	<u>(19,770)</u>
Net assets available for benefit per the Form 5500	<u>\$ 9,700,937</u>	<u>\$ 14,464,583</u>
Benefits paid per the financial statements	\$ <u>2,321,700</u>	
Less: Change in deemed distributed participant loans	<u>(2,586)</u>	
Benefits paid and deemed distributions per the Form 5500	<u>\$ 2,319,114</u>	

Form 5500 does not include defaulted loans from participants who have not incurred a distributable event. On the financial statements, these amounts are reported as Plan assets until a distributable event occurs.

10. SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through September 29, 2023, the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

EMPLOYER IDENTIFICATION NUMBER: 11-3446012

PLAN NUMBER: 001

FORM 5500 - SCHEDULE H, LINE 4a

**SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS -
YEAR ENDED DECEMBER 31, 2022**

Participant Contributions Transferred Late to Plan				Total Fully Corrected under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included [✓]	Total that constitute Nonexempt Prohibited Transactions			
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 13,047		\$ 13,047		

See independent auditor's report

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

EMPLOYER IDENTIFICATION NUMBER: 11-3446012

PLAN NUMBER: 001

FORM 5500 - SCHEDULE H, LINE 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2022

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower lessor, or <u>similar party</u>	Description of <u>investment</u>	<u>Cost**</u>	<u>Current value</u>
* Fidelity 500 Index Fund		Mutual Fund	\$	2,450,089
Morgan Stanley Institutional Fund, Inc. Growth P		Mutual Fund		1,246,017
* Fidelity International Index Fund		Mutual Fund		962,156
* Fidelity Total Bond Fund		Mutual Fund		456,791
American Funds American Mutual Fund Class R-		Mutual Fund		435,679
American Funds New World Fund Class R-6		Mutual Fund		419,686
BlackRock High Yield Bond Portfolio Class K		Mutual Fund		335,994
PIMCO Real Return Fund Institutional Class		Mutual Fund		295,815
* Fidelity Mid Cap Index Fund		Mutual Fund		283,680
* Fidelity Balanced Fund		Mutual Fund		277,171
* Fidelity Small Cap Index Fund		Mutual Fund		255,770
Invesco Stable Value Trust - Class III		CCT		243,324
Vanguard Growth Index Fund Admiral Shares		Mutual Fund		193,378
MFS Mid Cap Value Fund Class R6		Mutual Fund		181,236
* Fidelity Small Cap Value Fund		Mutual Fund		165,336
Lord Abbett Developing Growth Fund Class R6		Mutual Fund		142,266
BlackRock Mid-Cap Growth Equity K		Mutual Fund		134,239
* Fidelity U.S. Bond Index Fund		Mutual Fund		124,091
Vanguard Target Retirement 2065 Fund		Mutual Fund		56,552
Vanguard Target Retirement 2050 Fund		Mutual Fund		44,008
Janus Henderson Global Research Fund Class I		Mutual Fund		38,135
Vanguard Target Retirement 2040 Fund		Mutual Fund		31,902
Vanguard Target Retirement 2045 Fund		Mutual Fund		26,052
Vanguard Target Retirement 2060 Fund		Mutual Fund		25,535
Vanguard Target Retirement 2055 Fund		Mutual Fund		24,092
Vanguard Target Retirement 2030 Fund		Mutual Fund		13,251
Vanguard Target Retirement 2025 Fund		Mutual Fund		6,173
Vanguard Target Retirement Inc.		Mutual Fund		3,554
Vanguard Value Index Fund Admiral Shares		Mutual Fund		2,091
Vanguard Target Retirement 2020 Fund		Mutual Fund		355
			\$	8,874,418

See independent auditor's report

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

EMPLOYER IDENTIFICATION NUMBER: 11-3446012

PLAN NUMBER: 001

FORM 5500 - SCHEDULE H, LINE 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2022

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower lessor, or <u>similar party</u>	Description of <u>investment</u>	<u>Cost**</u>	<u>Current value</u>
		Bearing interest with interest rates of 4.25%-7.25% per annum		
*	Notes receivable from participants		\$0	<u>71,618</u>
				<u>\$ 8,946,036</u>

* Denotes a party-in-interest to the Plan.

** All investments are Participant directed and therefore cost disclosure is not required.

See independent auditor's report

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

***INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS WITH
SUPPLEMENTAL INFORMATION***

DECEMBER 31, 2022 AND 2021

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

DECEMBER 31, 2022 AND 2021

Table of Contents

Independent Auditor's Report	1 – 4
Statements of Net Assets Available for Benefits	5
Statement of Changes in Net Assets Available for Benefits	6
Notes to Financial Statements	7 – 14
Supplemental Information	
Schedule of Delinquent Contributions	15
Schedule of Assets (Held at End of Year)	16 – 17



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INDEPENDENT AUDITOR'S REPORT

**To the Plan Administrator of
The Central Orthopedic Group, LLP 401(k) Profit Sharing Plan**

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

We have performed audits of the financial statements of The Central Orthopedic Group, LLP 401(k) Profit Sharing 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 year ended December 31, 2022, and the related notes to the financial statements (financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's 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 audits 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 certifications from a qualified institution as of December 31, 2022 and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

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

- 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).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our 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 for one year after the date the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually

or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 Schedules Required by ERISA

The supplemental Schedule of Delinquent Participant Contributions for the year ended December 31, 2022 and Schedule of Assets (Held at End of Year) as of December 31, 2022, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other

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

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

In our opinion:

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

A handwritten signature in cursive script that reads "Silling + Company".

CERTIFIED PUBLIC ACCOUNTANTS
Port Washington, New York
September 29, 2023

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31,

	<u>2022</u>	<u>2021</u>
ASSETS		
Investments, at fair value	<u>\$ 8,874,418</u>	<u>13,655,687</u>
Receivables		
Notes receivable from participants	71,618	70,442
Participant contributions	204,000	169,000
Employer contributions	<u>568,085</u>	<u>589,766</u>
	<u>843,703</u>	<u>829,208</u>
Total Assets	<u>9,718,121</u>	<u>14,484,895</u>
LIABILITIES		
Excess contributions payable	<u>-</u>	<u>542</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 9,718,121</u></u>	<u><u>\$ 14,484,353</u></u>

See notes to financial statements

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS YEAR ENDED DECEMBER 31, 2022

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Investment income (loss)

Net change in fair value of investments	\$ (3,855,114)
Dividends	400,286
	<u>(3,454,828)</u>

Interest income from notes receivable from participants	<u>2,176</u>
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Contributions

Participant	466,786
Employer	568,085
	<u>1,034,871</u>

TOTAL ADDITIONS	<u>(2,417,781)</u>
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DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants	2,321,700
Administrative expenses	26,751
	<u>2,348,451</u>

TOTAL DEDUCTIONS	<u>2,348,451</u>
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NET CHANGE	(4,766,232)
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NET ASSETS AVAILABLE FOR BENEFITS

-BEGINNING OF YEAR	<u>14,484,353</u>
-END OF YEAR	<u><u>\$ 9,718,121</u></u>

See notes to financial statements

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

1. DESCRIPTION OF PLAN

The following description of the The Central Orthopedic Group, LLP 401(k) Profit Sharing Plan ("Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan, established on January 1, 1999 and most recently restated effective May 24, 2022, is a 401(k) and Profit Sharing Plan subject to the provisions of the Employees Retirement Income Security Act of 1974 ("ERISA"). The Plan covers substantially all employees of The Central Orthopedic Group, LLP (the "Company") who have attained 21 years of age and are not nonresident aliens or union employees. Employees can enter the Plan and begin making elective deferrals immediately upon meeting the eligibility requirements. To be eligible for the Company nonelective contributions and matching contributions, employees must have completed one year of service. The entry date for purposes of the Company nonelective contributions and matching contributions is January 1st or July 1st coincident with or subsequent to satisfying the eligibility requirements.

Prior to April 1st, 2022, employees became eligible to make elective deferrals upon attaining one year of service and could enter the plan on the January 1st or July 1st coincident with or subsequent to satisfying the eligibility requirements.

Contributions

The Plan allows for both pre-tax Salary Deferrals and Roth contributions. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Rollover contributions are subject to the terms of the Plan and are fully vested and non-forfeitable. The Company, at its discretion, may make nonelective employer contributions to the Plan, which are allocated to the participants based off of allocation groups based off of employee compensation. For the year ended December 31, 2022, the Company made nonelective contributions of \$568,085 to the Plan. The Company, at its discretion, may elect to make matching contributions to the Plan. In order to be eligible for matching contributions, a participant must have worked 1,000 hours of service during the year and be employed as of the last day of the Plan year. For the year ended December 31, 2022, the Company did not make any matching contributions. Contributions are subject to certain statutory limitations.

Participant Accounts

Each participant's account is credited with the participant's contributions, an allocation of the nonelective employer contributions and matching contributions, if any, and Plan

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants direct the investment of their balances into various investment options offered by the Plan. If participants do not select an investment option, their accounts under the Plan are automatically invested in the Plan's Qualified Default Investment Alternative ("QDIA"), unless the employee elects otherwise. The Plan has elected the Vanguard Target Retirement series funds as its QDIA.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the nonelective employer contribution and matching contribution portions of their accounts is based on years of continuous service as follows.

<u>Years of Service</u>	<u>Percent Vested</u>
Less than 1	0%
1	25%
2	50%
3	75%
4 or more	100%

Notes Receivable from Participants

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

Payment of Benefits

On termination of service due to death, disability, retirement or other reasons, a participant may receive a lump sum amount equal to the value of the participant's vested interest in his or her account balance. Participants shall be entitled to receive in-service withdrawals upon attainment of age 59 ½ or as a hardship distribution, as defined in the Plan document.

Forfeitures

At December 31, 2022 and 2021, forfeited non-vested accounts totaled \$22,526 and \$19,811, respectively. Forfeitures, if any, can be used to reduce employer contributions or

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

pay Plan expenses. During the year ended December 31, 2022, the Plan allocated \$19,248 from forfeitures to reduce employer contributions and did not use any forfeitures to pay Plan expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 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 change in fair value of investments 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 any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2022 and 2021. Delinquent participant loans are recorded as distributions on the basis of the terms of the Plan document

Excess Contributions Payable

Amounts payable to participants for contributions in excess of amounts allowed by the Internal Revenue Service ("IRS") are recorded as a liability with a corresponding deduction to contributions. The Plan distributed the 2021 excess contributions to the applicable participant prior to the applicable IRS deadline of the respective subsequent year.

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

Payment of Benefits

Benefits are recorded when paid.

Expenses

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

3. CERTIFIED INFORMATION

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including investments, at fair value, and notes receivable from participants held at December 31, 2022 and 2021, and net change in fair value of investments, dividends, and interest income from notes receivable from participants for the year ended December 31, 2022, was obtained by management and agreed to or derived from information certified as complete and accurate by Fidelity Management Trust Company, the trustee of the Plan.

4. FAIR VALUE MEASUREMENTS

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

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

Level 2 Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

- 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Mutual Funds

Valued at the daily closing price as reported by the fund. The mutual funds held by the Plan are deemed to be actively traded.

Common Investment Trust

Common Investment Trusts are not publicly quoted and are priced at net asset value ("NAV"). ASC 820 allows NAV per share to serve as a practical expedient to estimate fair value.

The following tables set forth, by level within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

	Assets at Fair Value as of December 31, 2022			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 8,631,094	\$ -	\$ -	\$ 8,631,094
Total assets in the fair value hierarchy	<u>8,631,094</u>	<u>-</u>	<u>-</u>	<u>8,631,094</u>
Investments measured at NAV ^(a)				<u>243,324</u>
Investments at fair value				<u>\$ 8,874,418</u>

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

	Assets at Fair Value as of December 31, 2021			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 13,466,025	\$ -	\$ -	\$ 13,466,025
Total assets in the fair value hierarchy	<u>13,466,025</u>	<u>-</u>	<u>-</u>	<u>13,466,025</u>
Investments measured at NAV ^(a)				<u>189,662</u>
Investments at fair value				<u>\$ 13,655,687</u>

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

Gains and losses included in the statement of changes in net assets available for benefits for the year ended December 31, 2022, are reported in net change in fair value of investments.

The Plan's policy is to recognize transfers between Level 1 and 2 and into and out of Level 3 as of the date of the event or change in circumstances that caused the transfer. For the year ended December 31, 2022, there were no significant transfers between Level 1 and 2 and no transfers into or out of Level 3.

Investments Measured Using the NAV per Share Practical Expedient

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2022 and 2021.

	<u>Fair Value at 12/31/22</u>	<u>Unfunded Commitments</u>	Redemptions Frequency (if currently eligible)	Redemption Notice Period
Common Investment Trust	\$ 243,324	N/A	Daily	None*

	<u>Fair Value at 12/31/21</u>	<u>Unfunded Commitments</u>	Redemptions Frequency (if currently eligible)	Redemption Notice Period
Common Investment Trust	\$ 189,662	N/A	Daily	None*

* Redemptions initiated by the Company require a twelve month advance written notice.

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Fidelity Workplace Services LLC (“Fidelity”) is the recordkeeper of the Plan and therefore certain transactions qualify as exempt party-in-interest transactions. Administrative fees of \$2,615 were paid to Fidelity from the Plan during the year ended December 31, 2022.

Morgan Stanley Smith Barney LLC (“Morgan Stanley”) is the Plan’s investment advisor and therefore certain transactions qualify as exempt party-in-interest transactions. Investment advisory fees of \$21,620 were paid to Morgan Stanley from the Plan during the year ended December 31, 2022.

Participant contributions not transmitted by the Company within the time period set forth in the Department of Labor’s regulation CFR 2510.3-102 are considered nonexempt prohibited transactions under ERISA. Participant contributions remitted during the year that constitute nonexempt prohibited transactions are reported by the Plan in the accompanying supplemental schedule as required.

6. PLAN TERMINATION

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

7. TAX STATUS

The Plan has adopted a non-standardized pre-approved profit sharing plan with CODA and is relying on an opinion letter received from FMR LLC dated June 30, 2020, stating that the IRS has determined that the pre-approved plan adopted by the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believes the Plan is qualified, and the related trust is tax-exempt.

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

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

8. RISKS AND UNCERTAINTIES

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

9. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following schedule is a reconciliation of net assets available for benefits at December 31, 2022, and 2021 and benefits paid during the year ended December 31, 2022 per the financial statements to Schedule H of Form 5500:

	<u>2022</u>	<u>2021</u>
Net assets available for benefits per the financial statements	\$ 9,718,121	\$ 14,484,353
Less: Deemed distributed participant loans	<u>(17,184)</u>	<u>(19,770)</u>
Net assets available for benefit per the Form 5500	<u>\$ 9,700,937</u>	<u>\$ 14,464,583</u>
Benefits paid per the financial statements	\$ <u>2,321,700</u>	
Less: Change in deemed distributed participant loans	<u>(2,586)</u>	
Benefits paid and deemed distributions per the Form 5500	<u>\$ 2,319,114</u>	

Form 5500 does not include defaulted loans from participants who have not incurred a distributable event. On the financial statements, these amounts are reported as Plan assets until a distributable event occurs.

10. SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through September 29, 2023, the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

EMPLOYER IDENTIFICATION NUMBER: 11-3446012

PLAN NUMBER: 001

FORM 5500 - SCHEDULE H, LINE 4a

**SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS -
YEAR ENDED DECEMBER 31, 2022**

Participant Contributions Transferred Late to Plan				Total Fully Corrected under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included [✓]	Total that constitute Nonexempt Prohibited Transactions			
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 13,047		\$ 13,047		

See independent auditor's report

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

EMPLOYER IDENTIFICATION NUMBER: 11-3446012

PLAN NUMBER: 001

FORM 5500 - SCHEDULE H, LINE 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2022

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower lessor, or <u>similar party</u>	Description of <u>investment</u>	<u>Cost**</u>	<u>Current value</u>
* Fidelity 500 Index Fund		Mutual Fund	\$	2,450,089
Morgan Stanley Institutional Fund, Inc. Growth P		Mutual Fund		1,246,017
* Fidelity International Index Fund		Mutual Fund		962,156
* Fidelity Total Bond Fund		Mutual Fund		456,791
American Funds American Mutual Fund Class R-		Mutual Fund		435,679
American Funds New World Fund Class R-6		Mutual Fund		419,686
BlackRock High Yield Bond Portfolio Class K		Mutual Fund		335,994
PIMCO Real Return Fund Institutional Class		Mutual Fund		295,815
* Fidelity Mid Cap Index Fund		Mutual Fund		283,680
* Fidelity Balanced Fund		Mutual Fund		277,171
* Fidelity Small Cap Index Fund		Mutual Fund		255,770
Invesco Stable Value Trust - Class III		CCT		243,324
Vanguard Growth Index Fund Admiral Shares		Mutual Fund		193,378
MFS Mid Cap Value Fund Class R6		Mutual Fund		181,236
* Fidelity Small Cap Value Fund		Mutual Fund		165,336
Lord Abbett Developing Growth Fund Class R6		Mutual Fund		142,266
BlackRock Mid-Cap Growth Equity K		Mutual Fund		134,239
* Fidelity U.S. Bond Index Fund		Mutual Fund		124,091
Vanguard Target Retirement 2065 Fund		Mutual Fund		56,552
Vanguard Target Retirement 2050 Fund		Mutual Fund		44,008
Janus Henderson Global Research Fund Class I		Mutual Fund		38,135
Vanguard Target Retirement 2040 Fund		Mutual Fund		31,902
Vanguard Target Retirement 2045 Fund		Mutual Fund		26,052
Vanguard Target Retirement 2060 Fund		Mutual Fund		25,535
Vanguard Target Retirement 2055 Fund		Mutual Fund		24,092
Vanguard Target Retirement 2030 Fund		Mutual Fund		13,251
Vanguard Target Retirement 2025 Fund		Mutual Fund		6,173
Vanguard Target Retirement Inc.		Mutual Fund		3,554
Vanguard Value Index Fund Admiral Shares		Mutual Fund		2,091
Vanguard Target Retirement 2020 Fund		Mutual Fund		355
			\$	8,874,418

See independent auditor's report

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

EMPLOYER IDENTIFICATION NUMBER: 11-3446012

PLAN NUMBER: 001

FORM 5500 - SCHEDULE H, LINE 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2022

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower lessor, or <u>similar party</u>	Description of <u>investment</u>	<u>Cost**</u>	<u>Current value</u>
		Bearing interest with interest rates of 4.25%-7.25% per annum		
*	Notes receivable from participants		\$0	<u>71,618</u>
				<u>\$ 8,946,036</u>

* Denotes a party-in-interest to the Plan.

** All investments are Participant directed and therefore cost disclosure is not required.

See independent auditor's report

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

***INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS WITH
SUPPLEMENTAL INFORMATION***

DECEMBER 31, 2022 AND 2021

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

DECEMBER 31, 2022 AND 2021

Table of Contents

Independent Auditor's Report	1 – 4
Statements of Net Assets Available for Benefits	5
Statement of Changes in Net Assets Available for Benefits	6
Notes to Financial Statements	7 – 14
Supplemental Information	
Schedule of Delinquent Contributions	15
Schedule of Assets (Held at End of Year)	16 – 17



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INDEPENDENT AUDITOR'S REPORT

**To the Plan Administrator of
The Central Orthopedic Group, LLP 401(k) Profit Sharing Plan**

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

We have performed audits of the financial statements of The Central Orthopedic Group, LLP 401(k) Profit Sharing 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 year ended December 31, 2022, and the related notes to the financial statements (financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's 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 audits 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 certifications from a qualified institution as of December 31, 2022 and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

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

- 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).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our 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 for one year after the date the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually

or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 Schedules Required by ERISA

The supplemental Schedule of Delinquent Participant Contributions for the year ended December 31, 2022 and Schedule of Assets (Held at End of Year) as of December 31, 2022, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other

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

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

In our opinion:

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

A handwritten signature in cursive script that reads "Silling + Company".

CERTIFIED PUBLIC ACCOUNTANTS
Port Washington, New York
September 29, 2023

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31,

	<u>2022</u>	<u>2021</u>
ASSETS		
Investments, at fair value	<u>\$ 8,874,418</u>	<u>13,655,687</u>
Receivables		
Notes receivable from participants	71,618	70,442
Participant contributions	204,000	169,000
Employer contributions	<u>568,085</u>	<u>589,766</u>
	<u>843,703</u>	<u>829,208</u>
Total Assets	<u>9,718,121</u>	<u>14,484,895</u>
LIABILITIES		
Excess contributions payable	<u>-</u>	<u>542</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 9,718,121</u></u>	<u><u>\$ 14,484,353</u></u>

See notes to financial statements

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS YEAR ENDED DECEMBER 31, 2022

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Investment income (loss)

Net change in fair value of investments	\$ (3,855,114)
Dividends	400,286
	<u>(3,454,828)</u>

Interest income from notes receivable from participants	<u>2,176</u>
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Contributions

Participant	466,786
Employer	568,085
	<u>1,034,871</u>

TOTAL ADDITIONS	<u>(2,417,781)</u>
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DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants	2,321,700
Administrative expenses	26,751
	<u>2,348,451</u>

TOTAL DEDUCTIONS	<u>2,348,451</u>
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NET CHANGE	(4,766,232)
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NET ASSETS AVAILABLE FOR BENEFITS

-BEGINNING OF YEAR	<u>14,484,353</u>
-END OF YEAR	<u><u>\$ 9,718,121</u></u>

See notes to financial statements

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

1. DESCRIPTION OF PLAN

The following description of the The Central Orthopedic Group, LLP 401(k) Profit Sharing Plan ("Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan, established on January 1, 1999 and most recently restated effective May 24, 2022, is a 401(k) and Profit Sharing Plan subject to the provisions of the Employees Retirement Income Security Act of 1974 ("ERISA"). The Plan covers substantially all employees of The Central Orthopedic Group, LLP (the "Company") who have attained 21 years of age and are not nonresident aliens or union employees. Employees can enter the Plan and begin making elective deferrals immediately upon meeting the eligibility requirements. To be eligible for the Company nonelective contributions and matching contributions, employees must have completed one year of service. The entry date for purposes of the Company nonelective contributions and matching contributions is January 1st or July 1st coincident with or subsequent to satisfying the eligibility requirements.

Prior to April 1st, 2022, employees became eligible to make elective deferrals upon attaining one year of service and could enter the plan on the January 1st or July 1st coincident with or subsequent to satisfying the eligibility requirements.

Contributions

The Plan allows for both pre-tax Salary Deferrals and Roth contributions. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Rollover contributions are subject to the terms of the Plan and are fully vested and non-forfeitable. The Company, at its discretion, may make nonelective employer contributions to the Plan, which are allocated to the participants based off of allocation groups based off of employee compensation. For the year ended December 31, 2022, the Company made nonelective contributions of \$568,085 to the Plan. The Company, at its discretion, may elect to make matching contributions to the Plan. In order to be eligible for matching contributions, a participant must have worked 1,000 hours of service during the year and be employed as of the last day of the Plan year. For the year ended December 31, 2022, the Company did not make any matching contributions. Contributions are subject to certain statutory limitations.

Participant Accounts

Each participant's account is credited with the participant's contributions, an allocation of the nonelective employer contributions and matching contributions, if any, and Plan

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants direct the investment of their balances into various investment options offered by the Plan. If participants do not select an investment option, their accounts under the Plan are automatically invested in the Plan's Qualified Default Investment Alternative ("QDIA"), unless the employee elects otherwise. The Plan has elected the Vanguard Target Retirement series funds as its QDIA.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the nonelective employer contribution and matching contribution portions of their accounts is based on years of continuous service as follows.

<u>Years of Service</u>	<u>Percent Vested</u>
Less than 1	0%
1	25%
2	50%
3	75%
4 or more	100%

Notes Receivable from Participants

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

Payment of Benefits

On termination of service due to death, disability, retirement or other reasons, a participant may receive a lump sum amount equal to the value of the participant's vested interest in his or her account balance. Participants shall be entitled to receive in-service withdrawals upon attainment of age 59 ½ or as a hardship distribution, as defined in the Plan document.

Forfeitures

At December 31, 2022 and 2021, forfeited non-vested accounts totaled \$22,526 and \$19,811, respectively. Forfeitures, if any, can be used to reduce employer contributions or

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

pay Plan expenses. During the year ended December 31, 2022, the Plan allocated \$19,248 from forfeitures to reduce employer contributions and did not use any forfeitures to pay Plan expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 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 change in fair value of investments 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 any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2022 and 2021. Delinquent participant loans are recorded as distributions on the basis of the terms of the Plan document

Excess Contributions Payable

Amounts payable to participants for contributions in excess of amounts allowed by the Internal Revenue Service ("IRS") are recorded as a liability with a corresponding deduction to contributions. The Plan distributed the 2021 excess contributions to the applicable participant prior to the applicable IRS deadline of the respective subsequent year.

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2022 AND 2021**

Payment of Benefits

Benefits are recorded when paid.

Expenses

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

3. CERTIFIED INFORMATION

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including investments, at fair value, and notes receivable from participants held at December 31, 2022 and 2021, and net change in fair value of investments, dividends, and interest income from notes receivable from participants for the year ended December 31, 2022, was obtained by management and agreed to or derived from information certified as complete and accurate by Fidelity Management Trust Company, the trustee of the Plan.

4. FAIR VALUE MEASUREMENTS

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

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

Level 2 Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

- 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Mutual Funds

Valued at the daily closing price as reported by the fund. The mutual funds held by the Plan are deemed to be actively traded.

Common Investment Trust

Common Investment Trusts are not publicly quoted and are priced at net asset value ("NAV"). ASC 820 allows NAV per share to serve as a practical expedient to estimate fair value.

The following tables set forth, by level within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

	Assets at Fair Value as of December 31, 2022			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 8,631,094	\$ -	\$ -	\$ 8,631,094
Total assets in the fair value hierarchy	<u>8,631,094</u>	<u>-</u>	<u>-</u>	<u>8,631,094</u>
Investments measured at NAV ^(a)				<u>243,324</u>
Investments at fair value				<u>\$ 8,874,418</u>

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

	Assets at Fair Value as of December 31, 2021			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 13,466,025	\$ -	\$ -	\$ 13,466,025
Total assets in the fair value hierarchy	<u>13,466,025</u>	<u>-</u>	<u>-</u>	<u>13,466,025</u>
Investments measured at NAV ^(a)				<u>189,662</u>
Investments at fair value				<u>\$ 13,655,687</u>

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

Gains and losses included in the statement of changes in net assets available for benefits for the year ended December 31, 2022, are reported in net change in fair value of investments.

The Plan's policy is to recognize transfers between Level 1 and 2 and into and out of Level 3 as of the date of the event or change in circumstances that caused the transfer. For the year ended December 31, 2022, there were no significant transfers between Level 1 and 2 and no transfers into or out of Level 3.

Investments Measured Using the NAV per Share Practical Expedient

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2022 and 2021.

	<u>Fair Value at 12/31/22</u>	<u>Unfunded Commitments</u>	Redemptions Frequency (if currently eligible)	Redemption Notice Period
Common Investment Trust	\$ 243,324	N/A	Daily	None*

	<u>Fair Value at 12/31/21</u>	<u>Unfunded Commitments</u>	Redemptions Frequency (if currently eligible)	Redemption Notice Period
Common Investment Trust	\$ 189,662	N/A	Daily	None*

* Redemptions initiated by the Company require a twelve month advance written notice.

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS ***DECEMBER 31, 2022 AND 2021***

5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Fidelity Workplace Services LLC (“Fidelity”) is the recordkeeper of the Plan and therefore certain transactions qualify as exempt party-in-interest transactions. Administrative fees of \$2,615 were paid to Fidelity from the Plan during the year ended December 31, 2022.

Morgan Stanley Smith Barney LLC (“Morgan Stanley”) is the Plan’s investment advisor and therefore certain transactions qualify as exempt party-in-interest transactions. Investment advisory fees of \$21,620 were paid to Morgan Stanley from the Plan during the year ended December 31, 2022.

Participant contributions not transmitted by the Company within the time period set forth in the Department of Labor’s regulation CFR 2510.3-102 are considered nonexempt prohibited transactions under ERISA. Participant contributions remitted during the year that constitute nonexempt prohibited transactions are reported by the Plan in the accompanying supplemental schedule as required.

6. PLAN TERMINATION

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

7. TAX STATUS

The Plan has adopted a non-standardized pre-approved profit sharing plan with CODA and is relying on an opinion letter received from FMR LLC dated June 30, 2020, stating that the IRS has determined that the pre-approved plan adopted by the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believes the Plan is qualified, and the related trust is tax-exempt.

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

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

8. RISKS AND UNCERTAINTIES

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

9. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following schedule is a reconciliation of net assets available for benefits at December 31, 2022, and 2021 and benefits paid during the year ended December 31, 2022 per the financial statements to Schedule H of Form 5500:

	<u>2022</u>	<u>2021</u>
Net assets available for benefits per the financial statements	\$ 9,718,121	\$ 14,484,353
Less: Deemed distributed participant loans	<u>(17,184)</u>	<u>(19,770)</u>
Net assets available for benefit per the Form 5500	<u>\$ 9,700,937</u>	<u>\$ 14,464,583</u>
Benefits paid per the financial statements	\$ <u>2,321,700</u>	
Less: Change in deemed distributed participant loans	<u>(2,586)</u>	
Benefits paid and deemed distributions per the Form 5500	<u>\$ 2,319,114</u>	

Form 5500 does not include defaulted loans from participants who have not incurred a distributable event. On the financial statements, these amounts are reported as Plan assets until a distributable event occurs.

10. SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through September 29, 2023, the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

EMPLOYER IDENTIFICATION NUMBER: 11-3446012

PLAN NUMBER: 001

FORM 5500 - SCHEDULE H, LINE 4a

**SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS -
YEAR ENDED DECEMBER 31, 2022**

Participant Contributions Transferred Late to Plan				Total Fully Corrected under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included [✓]	Total that constitute Nonexempt Prohibited Transactions			
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 13,047		\$ 13,047		

See independent auditor's report

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

EMPLOYER IDENTIFICATION NUMBER: 11-3446012

PLAN NUMBER: 001

FORM 5500 - SCHEDULE H, LINE 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2022

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower lessor, or <u>similar party</u>	Description of <u>investment</u>	<u>Cost**</u>	<u>Current value</u>
* Fidelity 500 Index Fund		Mutual Fund	\$	2,450,089
Morgan Stanley Institutional Fund, Inc. Growth P		Mutual Fund		1,246,017
* Fidelity International Index Fund		Mutual Fund		962,156
* Fidelity Total Bond Fund		Mutual Fund		456,791
American Funds American Mutual Fund Class R-		Mutual Fund		435,679
American Funds New World Fund Class R-6		Mutual Fund		419,686
BlackRock High Yield Bond Portfolio Class K		Mutual Fund		335,994
PIMCO Real Return Fund Institutional Class		Mutual Fund		295,815
* Fidelity Mid Cap Index Fund		Mutual Fund		283,680
* Fidelity Balanced Fund		Mutual Fund		277,171
* Fidelity Small Cap Index Fund		Mutual Fund		255,770
Invesco Stable Value Trust - Class III		CCT		243,324
Vanguard Growth Index Fund Admiral Shares		Mutual Fund		193,378
MFS Mid Cap Value Fund Class R6		Mutual Fund		181,236
* Fidelity Small Cap Value Fund		Mutual Fund		165,336
Lord Abbett Developing Growth Fund Class R6		Mutual Fund		142,266
BlackRock Mid-Cap Growth Equity K		Mutual Fund		134,239
* Fidelity U.S. Bond Index Fund		Mutual Fund		124,091
Vanguard Target Retirement 2065 Fund		Mutual Fund		56,552
Vanguard Target Retirement 2050 Fund		Mutual Fund		44,008
Janus Henderson Global Research Fund Class I		Mutual Fund		38,135
Vanguard Target Retirement 2040 Fund		Mutual Fund		31,902
Vanguard Target Retirement 2045 Fund		Mutual Fund		26,052
Vanguard Target Retirement 2060 Fund		Mutual Fund		25,535
Vanguard Target Retirement 2055 Fund		Mutual Fund		24,092
Vanguard Target Retirement 2030 Fund		Mutual Fund		13,251
Vanguard Target Retirement 2025 Fund		Mutual Fund		6,173
Vanguard Target Retirement Inc.		Mutual Fund		3,554
Vanguard Value Index Fund Admiral Shares		Mutual Fund		2,091
Vanguard Target Retirement 2020 Fund		Mutual Fund		355
			\$	8,874,418

See independent auditor's report

THE CENTRAL ORTHOPEDIC GROUP, LLP 401(K) PROFIT SHARING PLAN

EMPLOYER IDENTIFICATION NUMBER: 11-3446012

PLAN NUMBER: 001

FORM 5500 - SCHEDULE H, LINE 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2022

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower lessor, or <u>similar party</u>	Description of <u>investment</u>	<u>Cost**</u>	<u>Current value</u>
		Bearing interest with interest rates of 4.25%-7.25% per annum		
*	Notes receivable from participants		\$0	<u>71,618</u>
				<u>\$ 8,946,036</u>

* Denotes a party-in-interest to the Plan.

** All investments are Participant directed and therefore cost disclosure is not required.

See independent auditor's report