

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110
1210-0089

2022

This Form is Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

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.**

Part I Annual Report Identification Information

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

- A** This return/report is for:
 - a multiemployer plan
 - a single-employer plan
 - a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
 - 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
 - special extension (enter description)
 - the DFVC program
- 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>MISSION BELL HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	1b Three-digit plan number (PN) ▶ <u>003</u>
	1c Effective date of plan <u>04/01/2002</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>MISSION BELL HOLDINGS, INC.</u> <u>16100 JACQUELINE COURT</u> <u>MORGAN HILL, CA 95037</u>	2b Employer Identification Number (EIN) <u>94-1555914</u>
	2c Plan Sponsor's telephone number <u>408-778-2036</u>
	2d Business code (see instructions) <u>321210</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	<u>Filed with authorized/valid electronic signature.</u>	<u>10/09/2023</u>	<u>MARK SCIANNA</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/09/2023</u>	<u>MARK SCIANNA</u>
	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.

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v. 220413

3a Plan administrator's name and address <input checked="" type="checkbox"/> 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	5 274
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). 6a(1) Total number of active participants at the beginning of the plan year 6a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)..... h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 0 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 0 6h 0
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: 2I 2O 2Q 3I 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) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> 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) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> A (Insurance Information) (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> 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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 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 <u>MISSION BELL HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MISSION BELL HOLDINGS, INC.</u>	D Employer Identification Number (EIN) <u>94-1555914</u>	

Part I Service Provider Information (see instructions)

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

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

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

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

PRINCIPAL

42-0127290

(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?
15 64	RECORDKEEPER /BOOKKEEPER	5254	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

(b) 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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

(b) 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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 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 MISSION BELL HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 MISSION BELL HOLDINGS, INC.	D Employer Identification Number (EIN) 94-1555914

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	2240003	
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred.....	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred.....	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests.....	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	3749083	
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e).....	1f	5989086	0
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h	35558	
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	35558	0
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	5953528	0

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)		
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		0
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	61944	
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-314740
c Other income	2c		35557
d Total income. Add all income amounts in column (b) and enter total	2d		-217239
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	5637136	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		5637136
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	65059	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees	2i(3)	25241	
(4) Other	2i(4)	8853	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		99153
j Total expenses. Add all expense amounts in column (b) and enter total	2j		5736289
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-5953528
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

- (1) Unmodified (2) Qualified (3) Disclaimer (4) Adverse

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

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

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

(1) Name: **BPM LLP**

(2) EIN: **81-4234562**

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

- (1) This form is filed for a CCT, PSA, or MTIA. (2) It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

	Yes	No	Amount
4a		X	

		Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....	4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	4d		X	
e Was this plan covered by a fidelity bond?.....	4e	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?	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.).....	4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.).....	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....	4k	X		
l Has the plan failed to provide any benefit when due under the plan?.....	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.....	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... Yes No
 If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.

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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 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 <u>MISSION BELL HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MISSION BELL HOLDINGS, INC.</u>	D Employer Identification Number (EIN) <u>94-1555914</u>	

Part I	Distributions
---------------	----------------------

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....

1	0
---	---

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
EIN(s): 42-0127290

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	
6 b Enter the amount contributed by the employer to the plan for this plan year.....	6b	
6 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

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: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> 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. <input type="checkbox"/> 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 _____

**MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

FINANCIAL STATEMENTS

December 31, 2022

**MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Mission Bell Holdings, Inc.
Employee Stock Ownership Plan

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

We have performed audits of the financial statements of Mission Bell Holdings, Inc. Employee Stock Ownership 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 in liquidation as of December 31, 2022 and 2021, and the related statement of changes in net assets available for benefits in liquidation for the year ended December 31, 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of Mission Bell Holdings, Inc Employee Stock Ownership 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 ("DOL") 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

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 4 to the financial statements, is complete and accurate.

Opinion

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

- the amounts and disclosures in the accompanying Financial Statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").
- 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 audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mission Bell Holdings, Inc. Employee Stock Ownership 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.

Emphasis of Matter - Terminating Plan and Liquidation Basis of Accounting

As further discussed in Note 1 and 2 to the financial statements, the Board of Trustees approved the sale of the Mission Bell Manufacturing, Inc. resulting in a Plan termination on December 20, 2019. As a result, the Plan has changed its basis of accounting from the going-concern basis of accounting to the liquidation basis of accounting used in presenting the 2022 and 2021 financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAS, 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 Mission Bell Holdings, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. 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 U.S. 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 Mission Bell Holdings, Inc. Employee Stock Ownership 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 Mission Bell Holdings, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

To the Board of Trustees of
Mission Bell Holdings, Inc.
Employee Stock Ownership Plan

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 U.S. GAAP.

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 U.S. GAAP.

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.

BPM LLP

San Francisco, California
September 5, 2023

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS IN LIQUIDATION
As of December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Investments, at fair value:		
Cash and cash equivalent	\$ -	\$ 2,240,003
Mutual funds	-	3,749,083
	<u>-</u>	<u>5,989,086</u>
LIABILITIES		
Accrued expenses	-	35,558
	<u>-</u>	<u>35,558</u>
Net assets available for benefits	<u>\$ -</u>	<u>\$ 5,953,528</u>

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS IN LIQUIDATION

For the year ended December 31, 2022

Additions to net assets attributed to:

Investment income:

Interest and dividend income	\$ 61,944
------------------------------	-----------

Total investment income	<u>61,944</u>
-------------------------	---------------

Total additions to net assets	<u>61,944</u>
-------------------------------	---------------

Deductions from net assets attributed to:

Net depreciation in fair value of investments	279,183
---	---------

Benefits paid to participants	5,637,136
-------------------------------	-----------

Administrative expenses	<u>99,153</u>
-------------------------	---------------

Total deductions from net assets	<u>6,015,472</u>
----------------------------------	------------------

Net decrease in net assets	(5,953,528)
----------------------------	-------------

Net assets available for benefits in liquidation:

Beginning of year	<u>5,953,528</u>
-------------------	------------------

End of year	<u>\$ -</u>
-------------	-------------

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1. The Plan and Its Significant Accounting Policies

General

The following description of Mission Bell Holdings, Inc. Employee Stock Ownership Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

The Plan is an employee stock ownership plan that was established on April 1, 2002 by Mission Bell Manufacturing, Inc. (the “Company”), and was restated effective January 1, 2015, to provide benefits to eligible employees, as defined in the Plan agreement. The Plan is currently designed to be qualified under the applicable requirements of the Internal Revenue Code (“IRC”), as amended, and the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended. The Board of Trustees is responsible for oversight of the Plan. The Investment Committee determines the appropriateness of the Plan’s investment offerings, monitors investment performance and reports to the Plan’s Board of Trustees.

Effective December 12, 2019, shareholders of the Company entered into a contribution and exchange agreement wherein each shareholder contributed their common stock in the Company in exchange for equity interests in Mission Bell Holdings, Inc., resulting in the Company becoming a wholly-owned subsidiary of Mission Bell Holdings, Inc. Then the Company transferred sponsorship of the Plan to Mission Bell Holdings, Inc. (the “Sponsor”).

The Plan was amended on December 12, 2019 to change the name of the Plan to Mission Bell Holdings, Inc. Employee Stock Ownership Plan, and to cease being an employee stock ownership plan within the meaning of section 4975(e)(7) of the Code. As noted in Note 2, effective December 20, 2019 the Plan was terminated and subsequent to this date the Plan’s activities will be primarily the distribution of Plan assets.

Administration

Emerson Rickstrew has been engaged since October 2017 as the Plan’s trustee to control the operation and administration of the Plan. LT Trust Company acted as the Plan’s custodian in 2022 and 2021. A third-party administrator, Principal Financial Group, appointed by the trustee, processes and maintains the records of participant data.

Use of Estimates

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

Basis of Accounting

The accompanying financial statements have been prepared on the liquidation basis of accounting in accordance with U.S. GAAP.

Forfeited Accounts

Prior to Plan termination, if a participant terminated service prior to becoming 100% vested in their accounts, the non-vested portions of their accounts would become forfeitures as of the allocation date of the Plan year in which they incurred a five-consecutive-year break in service or, if earlier, as of the date on which they have received a complete distribution of their capital accumulation.

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1. The Plan and Its Significant Accounting Policies, continued

Investment Valuation and Income Recognition

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

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

Income Taxes

The Plan has received a favorable determination letter dated September 5, 2017, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The plan administrator believes that the Plan is currently designed and is currently being operated in compliance with the applicable requirements of the IRC and ERISA, and that the trust, which forms a part of the Plan, is exempt from income tax. Accordingly, no provision has been made for federal or state income taxes.

U.S. GAAP requires 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 Company does not believe the Plan has any uncertain tax positions. The Plan may be subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Risks and Uncertainties

Financial instruments which may subject the Plan to concentrations of credit risk consist of the investments included in the statements of net assets available for benefits. Investment securities are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Voting Rights

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

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1. The Plan and Its Significant Accounting Policies, continued

Put Option

Prior to Plan termination, under federal income tax regulations, the Company stock that was held by the Plan and its participants, and was not readily tradable on an established market, or was subject to trading limitations included a put option. The put option was a right to demand that the Company buy any shares of its stock distributed to participants for which there was no market. The put price was representative of the fair market value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option was to ensure that the participant had the ability to ultimately obtain cash.

Company Distributions

Prior to Plan termination, distributions received on stock allocated to a participant's stock account would be allocated to the participants' non-stock accounts. If a participant were to terminate, they would be entitled to the vested amounts allocated to and remaining in their non-stock account on the date of termination.

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. Investment related expenses are included in net depreciation in fair value of investments.

Payments of Benefits

Under the liquidation basis or going-concern basis of accounting, benefit payments are recorded when paid.

2. Plan Termination or Modification and Other Receivables - Escrow

The Sponsor entered into a Securities Purchase Agreement on December 16, 2019 to sell of the Sponsor's interest in the Company, resulting in a Plan termination on December 20, 2019. The Plan trustee agreed to sell all of the shares of the common stock of the Company held by the ESOP trust and allocated to participant accounts, 105,002 shares, for \$24,364,385, including the \$2,499,000 booked as a receivable in 2019, which represents the Plan's portion held in an indemnity escrow. Half of the escrow was to be available twelve months following closing date (December 20, 2019) but due to some claims the escrow receivable decreased to \$1,566,083 and a portion was received in April 2021, and the remainder was received in December 2021. The Plan was fully liquidated in December 2022.

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

3. Fair Value Measurements

The fair value measurements standard establishes a framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under the standard are described below:

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

Level 2 – Inputs to the valuation methodology include:

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

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

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

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

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

Cash and cash equivalents: Valued based on redemption value on the last business day of the of the Plan year.

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

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021:

	Investments at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Cash	\$ 2,240,003	\$ -	\$ -	\$ 2,240,003
Mutual funds	3,749,083	-	-	3,749,083
Total investments, at fair value	\$ 5,989,086	\$ -	\$ -	\$ 5,989,086

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

4. Certified Information

The following information included in the accompanying financial statements was obtained from data that has been prepared and certified as complete and accurate by LT Trust Company:

	<u>2022</u>	<u>2021</u>
Investments, at fair value	\$ -	\$ 5,989,086
Interest and dividend income	\$ 61,944	N/A
Net depreciation in fair value of investments	\$ 279,183	N/A

5. Related-Party Transactions and Party-in-Interest Transactions

Certain Plan investments are potentially managed by LT Trust Company, the custodian of the Plan, and the Company. Any purchases and sales of these funds are performed in the open market at fair value. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan and are specifically exempt from the prohibition of party-in-interest transactions under ERISA. As of December 31, 2022 and 2021, the Plan does not hold any party-in-interest investments.

6. Participation and Benefits

Employer Contributions

Contributions to the Plan are made by the Company as determined by the Board of Directors. Contributions can be made in Company common stock or cash. In 2022, no contributions were made by the Company.

Participant Accounts

Prior to Plan termination, each participant's share of Plan assets were recorded in two accounts: the Company Stock Account, which generally represented the participant's allocable portion of the Company common stock included in Plan assets; and the other investment account, which generally represented the participant's share of net income or loss, cash dividends, if any, and Company contributions and forfeitures in other than Company common stock.

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

6. Participation and Benefits, continued

Participant Accounts, continued

Each participant's account is credited with an allocation of: a) the Company's contribution, if any, b) net appreciation or depreciation in the value of the Plan's investment in Company common stock, c) dividends on Company common stock, if any, d) interest on money market funds or net appreciation or depreciation on other investments and e) Plan forfeitures. Allocations are based on participant compensation or account balances, as defined by the Plan. Allocation for dividends, if any, of Company common stock is based on allocations of Company common stock. A participant will share in the current Plan year allocation of Plan contributions only if the participant is still employed on the last day of the Plan year and has accumulated 1,000 or more hours of service during the year.

Vesting

Prior to Plan termination, a participant's interest in their accounts shall become 100% vested and nonforfeitable if they are employed by the Company upon attaining retirement; terminates service by reason of disability; or dies while employed by the Company. The interest of each participant who is credited with an hour of service on or after January 1, 2007, in his accounts shall become vested and non-forfeitable in accordance with the following schedule:

<u>Credited Service</u>	<u>Vested Percentage</u>
Less than one year	0%
One year	10%
Two years	20%
Three years	40%
Four years	60%
Five years	80%
Six or more years	100%

Upon the termination of the Plan as noted in Note 2, any participant who was not fully vested at the time of the termination became 100% vested regardless of their years of service.

Payment of Benefits

Prior to Plan termination, distributions are to be made in cash to Plan participants or their beneficiaries upon termination, retirement, permanent disability or death.

In the event of the termination of a participant's employment by reason of retirement, death or permanent disability, a participant becomes 100% vested in their account, and benefits will be distributed no later than 75 days after the close of the Plan year. Effective in April 2016, distributions of vested accounts less than \$5,000 for participants who terminated service due to retirement, death, and disability will be paid in the following year of separation in a single lump sum cash payment. For separations other than retirement, death, or disability, distributions of accounts exceeding \$5,000 will start on the sixth year paid out in annual installments over a five year period.

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

6. Participation and Benefits, continued

Payment of Benefits, continued

The Plan allows for the automatic lump sum distribution of participant vested account balances that do not exceed \$1,000. The Plan also allows participants receiving distributions of stock from the Plan to sell such stock to the Company at any time within 60 days after either the date of distribution or the end of the Plan year in which the distribution was made.

Effective January 1, 2020, the distribution policy was updated allow a participant to elect a single sum distribution of 50% of the participant's account as soon as administratively possible, after subtracting the initial distribution, a participant may elect a single sum distribution of 80% of the participant's account following first escrow release (set for about 12 months from sale transaction), and a participant may elect a single sum distribution of the remaining portion of their account following the later of the final escrow release (set for about 24 months from sale transaction) or receipt of the favorable letter of determination from the IRS for Plan termination. If the value of a participant's account is below \$5,000, the plan administrator may distribute the full amount without participant consent upon participant termination. At time of final distribution, if the participant has not elected a distribution, a full pay out will be made to an individual retirement account.

Diversification

Prior to Plan termination, participants who were at least age 55 with at least ten years of participation in the Plan could have elected to diversify a portion of their account over a 90-day period. In each of the first five years, after qualifying for diversification, a participant could diversify by withdrawing up to 25% of the balance of their Company Stock Account, less amounts previously withdrawn. In the sixth year, the withdrawal percentage increased to 50%. Participants who elected to diversify received either a cash or stock distribution.

7. Subsequent Events

In accordance with accounting standards affecting disclosures of subsequent events, the Plan evaluated subsequent events for recognition and disclosure through September 5, 2023, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2022 that require recognition or disclosure in such financial statements.

**MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

FINANCIAL STATEMENTS

December 31, 2022

**MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Mission Bell Holdings, Inc.
Employee Stock Ownership Plan

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

We have performed audits of the financial statements of Mission Bell Holdings, Inc. Employee Stock Ownership 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 in liquidation as of December 31, 2022 and 2021, and the related statement of changes in net assets available for benefits in liquidation for the year ended December 31, 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of Mission Bell Holdings, Inc Employee Stock Ownership 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 ("DOL") 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

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 4 to the financial statements, is complete and accurate.

Opinion

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

- the amounts and disclosures in the accompanying Financial Statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").
- 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 audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mission Bell Holdings, Inc. Employee Stock Ownership 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.

Emphasis of Matter - Terminating Plan and Liquidation Basis of Accounting

As further discussed in Note 1 and 2 to the financial statements, the Board of Trustees approved the sale of the Mission Bell Manufacturing, Inc. resulting in a Plan termination on December 20, 2019. As a result, the Plan has changed its basis of accounting from the going-concern basis of accounting to the liquidation basis of accounting used in presenting the 2022 and 2021 financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAS, 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 Mission Bell Holdings, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. 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 U.S. 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 Mission Bell Holdings, Inc. Employee Stock Ownership 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 Mission Bell Holdings, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

To the Board of Trustees of
Mission Bell Holdings, Inc.
Employee Stock Ownership Plan

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 U.S. GAAP.

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 U.S. GAAP.

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.

BPM LLP

San Francisco, California
September 5, 2023

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS IN LIQUIDATION
As of December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Investments, at fair value:		
Cash and cash equivalent	\$ -	\$ 2,240,003
Mutual funds	-	3,749,083
	<u>-</u>	<u>5,989,086</u>
LIABILITIES		
Accrued expenses	<u>-</u>	<u>35,558</u>
Net assets available for benefits	<u>\$ -</u>	<u>\$ 5,953,528</u>

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS IN LIQUIDATION

For the year ended December 31, 2022

Additions to net assets attributed to:

Investment income:

Interest and dividend income	\$ 61,944
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Total investment income	<u>61,944</u>
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Total additions to net assets	<u>61,944</u>
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Deductions from net assets attributed to:

Net depreciation in fair value of investments	279,183
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Benefits paid to participants	5,637,136
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Administrative expenses	<u>99,153</u>
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Total deductions from net assets	<u>6,015,472</u>
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Net decrease in net assets	(5,953,528)
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Net assets available for benefits in liquidation:

Beginning of year	<u>5,953,528</u>
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End of year	<u><u>\$ -</u></u>
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MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1. The Plan and Its Significant Accounting Policies

General

The following description of Mission Bell Holdings, Inc. Employee Stock Ownership Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

The Plan is an employee stock ownership plan that was established on April 1, 2002 by Mission Bell Manufacturing, Inc. (the “Company”), and was restated effective January 1, 2015, to provide benefits to eligible employees, as defined in the Plan agreement. The Plan is currently designed to be qualified under the applicable requirements of the Internal Revenue Code (“IRC”), as amended, and the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended. The Board of Trustees is responsible for oversight of the Plan. The Investment Committee determines the appropriateness of the Plan’s investment offerings, monitors investment performance and reports to the Plan’s Board of Trustees.

Effective December 12, 2019, shareholders of the Company entered into a contribution and exchange agreement wherein each shareholder contributed their common stock in the Company in exchange for equity interests in Mission Bell Holdings, Inc., resulting in the Company becoming a wholly-owned subsidiary of Mission Bell Holdings, Inc. Then the Company transferred sponsorship of the Plan to Mission Bell Holdings, Inc. (the “Sponsor”).

The Plan was amended on December 12, 2019 to change the name of the Plan to Mission Bell Holdings, Inc. Employee Stock Ownership Plan, and to cease being an employee stock ownership plan within the meaning of section 4975(e)(7) of the Code. As noted in Note 2, effective December 20, 2019 the Plan was terminated and subsequent to this date the Plan’s activities will be primarily the distribution of Plan assets.

Administration

Emerson Rickstrew has been engaged since October 2017 as the Plan’s trustee to control the operation and administration of the Plan. LT Trust Company acted as the Plan’s custodian in 2022 and 2021. A third-party administrator, Principal Financial Group, appointed by the trustee, processes and maintains the records of participant data.

Use of Estimates

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

Basis of Accounting

The accompanying financial statements have been prepared on the liquidation basis of accounting in accordance with U.S. GAAP.

Forfeited Accounts

Prior to Plan termination, if a participant terminated service prior to becoming 100% vested in their accounts, the non-vested portions of their accounts would become forfeitures as of the allocation date of the Plan year in which they incurred a five-consecutive-year break in service or, if earlier, as of the date on which they have received a complete distribution of their capital accumulation.

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1. The Plan and Its Significant Accounting Policies, continued

Investment Valuation and Income Recognition

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

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

Income Taxes

The Plan has received a favorable determination letter dated September 5, 2017, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The plan administrator believes that the Plan is currently designed and is currently being operated in compliance with the applicable requirements of the IRC and ERISA, and that the trust, which forms a part of the Plan, is exempt from income tax. Accordingly, no provision has been made for federal or state income taxes.

U.S. GAAP requires 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 Company does not believe the Plan has any uncertain tax positions. The Plan may be subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Risks and Uncertainties

Financial instruments which may subject the Plan to concentrations of credit risk consist of the investments included in the statements of net assets available for benefits. Investment securities are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Voting Rights

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

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1. The Plan and Its Significant Accounting Policies, continued

Put Option

Prior to Plan termination, under federal income tax regulations, the Company stock that was held by the Plan and its participants, and was not readily tradable on an established market, or was subject to trading limitations included a put option. The put option was a right to demand that the Company buy any shares of its stock distributed to participants for which there was no market. The put price was representative of the fair market value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option was to ensure that the participant had the ability to ultimately obtain cash.

Company Distributions

Prior to Plan termination, distributions received on stock allocated to a participant's stock account would be allocated to the participants' non-stock accounts. If a participant were to terminate, they would be entitled to the vested amounts allocated to and remaining in their non-stock account on the date of termination.

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. Investment related expenses are included in net depreciation in fair value of investments.

Payments of Benefits

Under the liquidation basis or going-concern basis of accounting, benefit payments are recorded when paid.

2. Plan Termination or Modification and Other Receivables - Escrow

The Sponsor entered into a Securities Purchase Agreement on December 16, 2019 to sell of the Sponsor's interest in the Company, resulting in a Plan termination on December 20, 2019. The Plan trustee agreed to sell all of the shares of the common stock of the Company held by the ESOP trust and allocated to participant accounts, 105,002 shares, for \$24,364,385, including the \$2,499,000 booked as a receivable in 2019, which represents the Plan's portion held in an indemnity escrow. Half of the escrow was to be available twelve months following closing date (December 20, 2019) but due to some claims the escrow receivable decreased to \$1,566,083 and a portion was received in April 2021, and the remainder was received in December 2021. The Plan was fully liquidated in December 2022.

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

3. Fair Value Measurements

The fair value measurements standard establishes a framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under the standard are described below:

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

Level 2 – Inputs to the valuation methodology include:

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

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

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

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

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

Cash and cash equivalents: Valued based on redemption value on the last business day of the of the Plan year.

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

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021:

	Investments at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Cash	\$ 2,240,003	\$ -	\$ -	\$ 2,240,003
Mutual funds	3,749,083	-	-	3,749,083
Total investments, at fair value	\$ 5,989,086	\$ -	\$ -	\$ 5,989,086

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

4. Certified Information

The following information included in the accompanying financial statements was obtained from data that has been prepared and certified as complete and accurate by LT Trust Company:

	<u>2022</u>	<u>2021</u>
Investments, at fair value	\$ -	\$ 5,989,086
Interest and dividend income	\$ 61,944	N/A
Net depreciation in fair value of investments	\$ 279,183	N/A

5. Related-Party Transactions and Party-in-Interest Transactions

Certain Plan investments are potentially managed by LT Trust Company, the custodian of the Plan, and the Company. Any purchases and sales of these funds are performed in the open market at fair value. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan and are specifically exempt from the prohibition of party-in-interest transactions under ERISA. As of December 31, 2022 and 2021, the Plan does not hold any party-in-interest investments.

6. Participation and Benefits

Employer Contributions

Contributions to the Plan are made by the Company as determined by the Board of Directors. Contributions can be made in Company common stock or cash. In 2022, no contributions were made by the Company.

Participant Accounts

Prior to Plan termination, each participant's share of Plan assets were recorded in two accounts: the Company Stock Account, which generally represented the participant's allocable portion of the Company common stock included in Plan assets; and the other investment account, which generally represented the participant's share of net income or loss, cash dividends, if any, and Company contributions and forfeitures in other than Company common stock.

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

6. Participation and Benefits, continued

Participant Accounts, continued

Each participant's account is credited with an allocation of: a) the Company's contribution, if any, b) net appreciation or depreciation in the value of the Plan's investment in Company common stock, c) dividends on Company common stock, if any, d) interest on money market funds or net appreciation or depreciation on other investments and e) Plan forfeitures. Allocations are based on participant compensation or account balances, as defined by the Plan. Allocation for dividends, if any, of Company common stock is based on allocations of Company common stock. A participant will share in the current Plan year allocation of Plan contributions only if the participant is still employed on the last day of the Plan year and has accumulated 1,000 or more hours of service during the year.

Vesting

Prior to Plan termination, a participant's interest in their accounts shall become 100% vested and nonforfeitable if they are employed by the Company upon attaining retirement; terminates service by reason of disability; or dies while employed by the Company. The interest of each participant who is credited with an hour of service on or after January 1, 2007, in his accounts shall become vested and non-forfeitable in accordance with the following schedule:

<u>Credited Service</u>	<u>Vested Percentage</u>
Less than one year	0%
One year	10%
Two years	20%
Three years	40%
Four years	60%
Five years	80%
Six or more years	100%

Upon the termination of the Plan as noted in Note 2, any participant who was not fully vested at the time of the termination became 100% vested regardless of their years of service.

Payment of Benefits

Prior to Plan termination, distributions are to be made in cash to Plan participants or their beneficiaries upon termination, retirement, permanent disability or death.

In the event of the termination of a participant's employment by reason of retirement, death or permanent disability, a participant becomes 100% vested in their account, and benefits will be distributed no later than 75 days after the close of the Plan year. Effective in April 2016, distributions of vested accounts less than \$5,000 for participants who terminated service due to retirement, death, and disability will be paid in the following year of separation in a single lump sum cash payment. For separations other than retirement, death, or disability, distributions of accounts exceeding \$5,000 will start on the sixth year paid out in annual installments over a five year period.

MISSION BELL HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

6. Participation and Benefits, continued

Payment of Benefits, continued

The Plan allows for the automatic lump sum distribution of participant vested account balances that do not exceed \$1,000. The Plan also allows participants receiving distributions of stock from the Plan to sell such stock to the Company at any time within 60 days after either the date of distribution or the end of the Plan year in which the distribution was made.

Effective January 1, 2020, the distribution policy was updated allow a participant to elect a single sum distribution of 50% of the participant's account as soon as administratively possible, after subtracting the initial distribution, a participant may elect a single sum distribution of 80% of the participant's account following first escrow release (set for about 12 months from sale transaction), and a participant may elect a single sum distribution of the remaining portion of their account following the later of the final escrow release (set for about 24 months from sale transaction) or receipt of the favorable letter of determination from the IRS for Plan termination. If the value of a participant's account is below \$5,000, the plan administrator may distribute the full amount without participant consent upon participant termination. At time of final distribution, if the participant has not elected a distribution, a full pay out will be made to an individual retirement account.

Diversification

Prior to Plan termination, participants who were at least age 55 with at least ten years of participation in the Plan could have elected to diversify a portion of their account over a 90-day period. In each of the first five years, after qualifying for diversification, a participant could diversify by withdrawing up to 25% of the balance of their Company Stock Account, less amounts previously withdrawn. In the sixth year, the withdrawal percentage increased to 50%. Participants who elected to diversify received either a cash or stock distribution.

7. Subsequent Events

In accordance with accounting standards affecting disclosures of subsequent events, the Plan evaluated subsequent events for recognition and disclosure through September 5, 2023, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2022 that require recognition or disclosure in such financial statements.