

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2022</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) ____
B This return/report is:	☒ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN</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>LM ACQUISITION, INC.</u> <u>7318 INTERNATIONAL DR. STE A</u> <u>HOLLAND, OH 43528</u>	1b Three-digit plan number (PN) ▶	<u>002</u>	
	1c Effective date of plan	<u>01/01/2022</u>	
	2b Employer Identification Number (EIN)	<u>20-2858228</u>	
	2c Plan Sponsor's telephone number	<u>419-865-4610</u>	
	2d Business code (see instructions)	<u>445110</u>	

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2023	TODD TAYLOR
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN
5 Total number of participants at the beginning of the plan year		<div style="display: flex; justify-content: space-between;"> 5 110 </div>
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).		
a(1) Total number of active participants at the beginning of the plan year		<div style="display: flex; justify-content: space-between;"> 6a(1) 110 </div>
a(2) Total number of active participants at the end of the plan year		<div style="display: flex; justify-content: space-between;"> 6a(2) 99 </div>
b Retired or separated participants receiving benefits		<div style="display: flex; justify-content: space-between;"> 6b 0 </div>
c Other retired or separated participants entitled to future benefits.....		<div style="display: flex; justify-content: space-between;"> 6c 6 </div>
d Subtotal. Add lines 6a(2) , 6b , and 6c		<div style="display: flex; justify-content: space-between;"> 6d 105 </div>
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		<div style="display: flex; justify-content: space-between;"> 6e 1 </div>
f Total. Add lines 6d and 6e		<div style="display: flex; justify-content: space-between;"> 6f 106 </div>
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		<div style="display: flex; justify-content: space-between;"> 6g 87 </div>
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		<div style="display: flex; justify-content: space-between;"> 6h 0 </div>
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		<div style="display: flex; justify-content: space-between;"> 7 </div>
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2I 2P 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) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ 0 A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE 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.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LM ACQUISITION, INC.</u>	D Employer Identification Number (EIN) <u>20-2858228</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
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)		
(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)		
(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)	0	440000
(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	0	440000

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i	0	6156086
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	6156086

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	0	-5716086
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	200000	
(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)		200000
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)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-5916086	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-5916086

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-5716086
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)		
(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)		0
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)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		0
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-5716086
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: **REHMANN ROBSON, LLC**

(2) EIN: **38-3635706**

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

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

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

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

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

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

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

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2022</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 LM ACQUISITION, INC.		D Employer Identification Number (EIN) 20-2858228
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): _____ Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....		☐ Yes ☒ No
11 a Does the ESOP hold any preferred stock?.....		☐ Yes ☒ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....		☐ Yes ☒ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?.....		☒ Yes ☐ No
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Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

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

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

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

☐ Yes.

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

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

☐ No. Other. Provide explanation _____

Neighborhood
Fresh Employee
Stock Ownership
Plan



Year Ended
December 31,
2022

Financial
Statements
and
Supplemental
Information

Rehmann

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

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INDEPENDENT AUDITORS' REPORT

October 13, 2023

Trustees
Neighborhood Fresh Employee Stock Ownership Plan
Holland, Ohio

Opinion

We have audited the financial statements of ***Neighborhood Fresh Employee Stock Ownership Plan*** (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), which comprise the statement of net assets available for benefits as of December 31, 2022, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2022, and the changes in net assets available for benefits for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the *Independent Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



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

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

Independent Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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

Supplemental Schedules Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of assets (held at end of year) and reportable transactions as of and for the year ended December 31, 2022 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

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

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

Rehmann Johnson LLC

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Statement of Net Assets Available for Benefits

December 31, 2022

	Allocated	Unallocated	Total
ASSETS			
Investments at fair value (equal to total assets)			
Common stock of LM Acquisition, Inc.	\$ 13,538	\$ 426,462	\$ 440,000
LIABILITIES			
Notes payable (equal to total liabilities)	-	6,156,086	6,156,086
Net (defecit) assets available for benefits	<u>\$ 13,538</u>	<u>\$ (5,729,624)</u>	<u>\$ (5,716,086)</u>

The accompanying notes are an integral part of these financial statements.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2022

	Allocated	Unallocated	Total
Additions to net assets attributed to			
Employer contributions	\$ -	\$ 200,000	\$ 200,000
Allocation of 30,769.23 shares of LM Acquisition, Inc. common stock	200,000	-	200,000
Total additions	200,000	200,000	400,000
Deductions from net assets attributable to			
Allocation of 30,769.23 shares of LM Acquisition, Inc. common stock	-	200,000	200,000
Net depreciation in fair value of investment LM Acquisition, Inc. common stock	(186,462)	(5,729,624)	(5,916,086)
Net (decrease) increase	13,538	(5,729,624)	(5,716,086)
Net (deficit) assets available for benefits			
Beginning of year	-	-	-
End of year	\$ 13,538	\$ (5,729,624)	\$ (5,716,086)

The accompanying notes are an integral part of these financial statements.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

1. DESCRIPTION OF THE PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following description of the *Neighborhood Fresh Employee Stock Ownership Plan* (the "Plan" or "ESOP") provides only general information. Participants should refer to the Plan Document for a more complete description of the Plan's provisions.

Description of the Plan

General

LM Acquisition, Inc. (the "Company" or "Plan Sponsor") established the Plan effective January 1, 2022. The Plan operates as an internally leveraged employee stock ownership plan ("ESOP") and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended ("Code"). The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and is administered by Trustees appointed by the Board of Directors of LM Acquisition, Inc. Third party individuals are acting as co-Trustees of the ESOP.

During 2022, the Plan purchased the initial 1,000,000 shares of Company's common stock using the proceeds of an internal loan from the Company (see Note 4) and holds the shares in a trust established under the Plan. The borrowings are expected to be repaid in annual installments through 2052 by cash contributions from the Company to the trust fund.

The borrowings are collateralized by the unallocated shares of LM Acquisition, Inc. stock. As the Plan makes each payment of principal, an appropriate percentage of shares are allocated to eligible employees' accounts in accordance with applicable regulations under the Code. The Company has no interest or rights in such shares once they are allocated to participants' accounts under the ESOP. Accordingly, the financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to:

- a) The accounts of employees with vested rights in allocated shares (allocated); and
- b) Shares not yet allocated to employees (unallocated).

Risks and Economic Uncertainties

The Plan invests in the common stock of the Plan Sponsor. The Plan Sponsor's stock is exposed to various risks, such as interest rate, market and credit risks, as well as valuation assumptions based on earnings, cash flows, and other such techniques. Market risks include global events which could impact the value of the Plan's investment, such as a pandemic or international conflict. Due to the level of interest rate, market, and credit risks inherent with certain of the Plan's investment, it is at least reasonably possible that changes in the fair value of the investment will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and changes in net assets available for benefits.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

Eligibility

The Plan is a defined contribution plan covering all employees of the Company who have completed one (1) year of service with 1,000 or more hours of employment and are 18 years of age or older. Employees who have not completed one year of service during such Plan year or are not employed on the last working day of the Plan year are generally not eligible for an allocation of the Company's stock for that year.

Contributions

The Plan is funded by contributions of the Company in cash, in amounts determined by the Company. The Company is obligated to make contributions in cash to the Plan which are sufficient to enable the Plan to make its regularly scheduled payments of principal and interest due on the term loan provided by the Company. Participants are not required or permitted to make contributions to the Plan. Contributions are subject to certain Internal Revenue Service ("IRS") limitations.

Participant Accounts and Forfeitures

The Plan is a defined contribution plan under which a separate account is established for each participant. Each participant's account is credited with allocations of (a) shares of the Company's common stock released by the trustees from the unallocated account, (b) forfeitures of terminated participants' nonvested accounts, and (c) Plan earnings and charged with an allocation of administrative expenses. Only those participants who are eligible employees of the Company as of the last day of the Plan year or terminated employment during the year due to retirement, total and permanent disability or death and have completed one year of service during the Plan year receive the allocation of stock and forfeitures. Employer stock and forfeitures are allocated in proportion to each participant's compensation compared with the total compensation of all participants. There were no forfeitures allocated to participants in 2022. Plan investment income is distributed as of the last day of each Plan year and is allocated based on the ratio of each participant's account balance to total participant account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

A participant's interest in the Plan is fully vested after six years of service, with gradual vesting after two years of service, or upon attainment of normal retirement age (65), death or total and permanent disability. Employees who terminate before vesting forfeit their nonvested interest in the Plan after a five year break in service. Participants terminating from the Plan receive no allocation of employer contributions or forfeitures in the year they terminate from the Plan; however, they do receive an allocation of interest and other Plan income in accordance with normal Plan provisions.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

Payment of Benefits

Upon termination of service due to death, disability, or retirement, benefits will be paid in equal annual installments over a period no longer than five-years with an additional year (up to an additional five years) for every \$245,000, or fraction thereof, that the account value exceeds \$1,230,000. Distributions of account balances on account of death or retirement will commence no later than year after the end of the Plan year in which employment terminated. For a participant who has a termination of service for any other reason, payment will be made upon request or after the plan year in which the latest of a) the attainment of normal retirement age, b) the tenth anniversary of participation in the Plan, or c) the date year in which service was terminated. The amount to be distributed is based upon the account validation date immediately preceding the distribution. If the participant's account balance is \$1,000 or less, payment will be made in an immediate lump-sum without the participant's consent. If the account balance is greater than \$1,000 but does not exceed \$5,000, payment will be made as a direct rollover to an individual retirement account at such provider as the Company designates in accordance with Department of Labor ("DOL") guidelines, unless the participant requests a different disposition of their account balance within the applicable election period. Distributions may be made in cash or in the form of Company common stock.

Voting Rights

Each participant is entitled to direct the trustees to exercise voting rights attributable to the shares of the stock allocated to his or her account on issues involving mergers or consolidations, recapitalization, reclassification, liquidation, dissolution, sale of substantially all assets of the Company, or any other similar transaction that may be specified in regulations as notified by the trustees prior to the time that such rights are to be exercised. If the participant fails to direct the trustees on any issue, the shares will be voted by the trustees. In accordance with instructions from the Plan's retirement committee, the trustees are required to vote any unallocated shares on the behalf of the collective best interest of Plan participants and beneficiaries.

Put Option

Under Federal income tax regulations, employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of its common stock distributed to participants for which there is no market. The put price is intended to be representative of the fair market value of the Company's common stock. The Company can finance any common stock repurchase with interest over a period not exceeding five years. The purpose of the put option is to ensure that the participants have the ability to ultimately obtain cash for the value of their shares.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

Diversification

Diversification is offered to participants who have attained the age of 55 and have completed at least 10 years of participation in the Plan so that they may have the opportunity in the first 90 days of a Plan year to move part of the value of their investment in the Company's stock into investments which are more diversified. In each of the first five years, a participant may diversify up to 25% of the number of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participants who elect to diversify will receive a distribution into the LM Acquisition, Inc. Profit Sharing 401(k) Plan, or if otherwise ineligible to participate in such plan, to distribute their account.

Administration of Plan Assets

The Plan's assets, which consist of the Company's common shares, are held by the Trustees of the Plan.

Company contributions are held and managed by the trustees, which invests cash received, interest, and dividend income and makes distributions to participants. The trustees also administer the payment of interest and principal on the loans, which are reimbursed to the trustees through contributions as determined by the Company.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Certain administrative expenses including Trustee fees are paid directly by the Company.

Administrative Expenses

The Plan's administrative expenses are paid either by the Plan or the Company, as provided by the Plan document. Certain administrative expenses, including an allocation of salaries related to Plan administration, audit and legal costs, are paid by the Company. Expenses that are paid directly by the Company are excluded from these financial statements. These expenses qualify as party-in-interest transactions which are exempt from prohibited transaction rules.

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

The preparation of financial statements in conformity with GAAP requires Plan 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. The fair value of LM Acquisition, Inc. common stock is one such significant estimate. Actual results could differ from those estimates.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

Allocations

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

Investment Valuation and Income Recognition

Investment in the Company stock is reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by the trustees and appraiser. See Note 3 for discussion of fair value measurements.

Purchases and sales of investments are recorded on a trade-date basis. Net depreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Contributions

Employer contributions are recorded in the period in which they become the obligation of the Company.

Benefits Paid to Participants

Benefit payments to participants are recorded when paid.

Subsequent Events

In preparing these financial statements, Plan management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2022, the most recent statement of net assets available for benefits presented herein, through October 13, 2023, the date these financial statements were available to be issued. No significant such events or transactions were identified.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

2. INVESTMENT

The following table presents the Plan's investment in LM Acquisition, Inc. common stock at December 31, 2022:

	Allocated	Unallocated
Number of shares	30,769	969,231
Cost	\$ 200,000	\$ 6,156,086
Estimated fair value	\$ 13,538	\$ 426,462

3. FAIR VALUE MEASUREMENTS

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

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

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable 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 measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

The following is a description of the valuation methodologies used for assets measured at fair value.

LM Acquisition, Inc. common stock: The fair value of LM Acquisition, Inc. common stock held by the Plan is valued at estimated fair value based upon an independent appraisal. This appraisal is based upon a combination of several different approaches for valuation of the common stock, specifically, income based and market based approaches. The appraiser considered historical and projected cash flow and net income, weighted average cost of capital, market comparable, and applicable discounts and premiums.

The valuation process involves Plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the reviewed financial statements of the Company. The appraiser prepares a preliminary report which Plan management reviews in detail, discusses and approves. The estimated fair value of common stock of the Company as of December 31, 2022 was \$0.44 and is classified as Level 3.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's investment at fair value at December 31, 2022:

	Level 1	Level 2	Level 3	Total
LM Acquisition, Inc. common stock	\$ -	\$ -	\$ 440,000	\$ -

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. Plan management evaluates the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. There were no transfers of assets into or out of Level 3 in 2022.

The following table sets forth purchases and issuances of the Plan's Level 3 assets for the years ended December 31:

LM Acquisition, Inc. Common Stock	2022
Purchases	\$ 6,356,086

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

4. LOAN PAYABLE

During 2022, the Plan entered into a \$6,156,086 loan agreement with the Company. The proceeds of the loan were used to purchase 1,000,000 shares of the Company's common stock. Unallocated shares serve as collateral for repayment of the loan. Shares are released from collateral and allocated to participants when principal payments are made. The number of shares released in any year is the principal payment made during the year, divided by the total loan balance then multiplied by the shares in suspense. The agreement provides for the loan to be repaid in annual installments through 2052, including interest charged at 3.14%.

Scheduled principal reductions on the loan for each of the five years succeeding December 31, 2022, and thereafter, are summarized as follows:

Year	Amount
2023	\$ 80,312
2024	131,033
2025	135,670
2026	139,930
2027	144,324
Thereafter	<u>5,524,817</u>
Total	<u>\$ 6,156,086</u>

5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

The Plan invests in Company common stock and has indebtedness due to the Company. These are related party and party-in-interest transactions. The Plan also has a number of service providers. Such providers are parties-in-interest under ERISA.

6. TAX STATUS

The Company has requested, but has not received, determination from the IRS as to whether the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan Administrator and the Plan's legal counsel believe that the Plan is designed in compliance with the applicable requirements of the IRC. Additionally, the Plan Administrator believes that the Plan is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or asset or disclosure in the financial statements. While the Plan may be subject to routine audits by taxing jurisdictions, there are currently no audits for any tax periods in progress.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

7. PLAN TERMINATION

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. In the event of Plan termination, participants would become 100% vested in their accounts, and, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan agreement and the IRC. Upon termination of the Plan, the Plan's Trustees will pay all liabilities and expenses of the trust fund.

■ ■ ■ ■ ■

**SUPPLEMENTAL INFORMATION
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2022**

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2022

Plan #002

EIN 20-2858228

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	Common stock * LM Acquisition, Inc.	Common stock	<u>\$ 6,356,086</u>	<u>\$ 440,000</u>

a) An asterisk in this column identifies a person known to be a party-in-interest.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Schedule H, Line 4j - Schedule of Reportable Transactions

Year Ended December 31, 2022

Plan #002

EIN 20-2858228

(a) Identity of Party Involved	(b) Description of Asset (Including Interest Rate and Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
--------------------------------	--	-----------------------	----------------------	----------------------	--	---------------------------

- a) A single transaction in excess of 5%
of the current value of Plan assets:

LM Acquisition, Inc.	Common stock					
	1 purchase	\$ 6,356,086	\$ -	\$ 6,356,086	\$ 6,356,086	\$ -

There were no reportable transactions under categories b), c) or d) during 2022.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Schedule H, Line 4j - Schedule of Reportable Transactions

Year Ended December 31, 2022

Plan #002

EIN 20-2858228

(a) Identity of Party Involved	(b) Description of Asset (Including Interest Rate and Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
--------------------------------	--	-----------------------	----------------------	----------------------	--	---------------------------

- a) A single transaction in excess of 5%
of the current value of Plan assets:

LM Acquisition, Inc.	Common stock					
	1 purchase	\$ 6,356,086	\$ -	\$ 6,356,086	\$ 6,356,086	\$ -

There were no reportable transactions under categories b), c) or d) during 2022.

NEIGHBORHOOD FRESH EMPLOYEE STOCK OWNERSHIP PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2022

Plan #002

EIN 20-2858228

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	Common stock * LM Acquisition, Inc.	Common stock	<u>\$ 6,356,086</u>	<u>\$ 440,000</u>

a) An asterisk in this column identifies a person known to be a party-in-interest.