

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

Part II	Basic Plan Information —enter all requested information
1a Name of plan BALLESTER HERMANOS, INC. RETIREMENT PLAN	1b Three-digit plan number (PN) ▶ 001
	1c Effective date of plan 01/01/2006
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) BALLESTER HERMANOS INC. PO BOX 364548 SAN JUAN, PR 00936	2b Employer Identification Number (EIN) 66-0175269 2c Plan Sponsor's telephone number 787-788-4110 2d Business code (see instructions) 424990

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	ROMULO CORRADA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN	
		4d PN	
5 Total number of participants at the beginning of the plan year		5	714
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 a(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)	533
		6a(2)	557
		6b	159
		6c	7
		6d	723
		6e	1
		6f	724
		6g	722
		6h	15
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: 3C 2E 2F 2G 2S 2T 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) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

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

Receipt Confirmation Code _____

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

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan BALLESTER HERMANOS, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 BALLESTER HERMANOS INC.	D Employer Identification Number (EIN) 66-0175269	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

POPULAR INC

66-0561870

(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?
21 64 72	TRUSTEE/RK	30666	Yes ☒ No ☐	Yes ☒ No ☐	84083	Yes ☐ No ☒

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
POPULAR INC	72	84083

(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.
POPULAR INC 66-0561870	12B-1 FEES

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>BALLESTER HERMANOS, INC. RETIREMENT PLAN</u>		B Three-digit plan number (PN) <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BALLESTER HERMANOS INC.</u>		D Employer Identification Number (EIN) <u>66-0175269</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	19075	13044
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	20620	20400
(2) Participant contributions.....	1b(2)	54291	56242
(3) Other.....	1b(3)	12920	102
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)	636936	674150
(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)	25939482	22372693
(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	26683324	23136631

Liabilities

g Benefit claims payable	1g		6489
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	11467	13219
k Total liabilities (add all amounts in lines 1g through 1j)	1k	11467	19708

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	26671857	23116923
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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)	1009702	
(B) Participants	2a(1)(B)	1931669	
(C) Others (including rollovers)	2a(1)(C)	12684	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2954055
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)	423528	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		423528
(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)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(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)		-5024955
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-1647372
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1816721	
(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)		1816721
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)	90841	
(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)		90841
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1907562
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-3554934
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: **DRIVEN PSC**

(2) EIN: **66-0961896**

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

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan BALLESTER HERMANOS, INC. RETIREMENT PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 BALLESTER HERMANOS INC.		D Employer Identification Number (EIN) 66-0175269
Part I Distributions		
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 66-0561870		
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 35
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock?..... ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c) a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____% b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____
20	PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20. a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box: ☐ Yes. ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date. ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date. ☐ No. Other. Provide explanation _____

BALLESTER HERMANOS RETIREMENT PLAN

***INDEPENDENT AUDITORS' REPORT
AND
AUDITED FINANCIAL STATEMENTS***

December 31, 2022 and 2021

BALLESTER HERMANOS RETIREMENT PLAN
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DECEMBER 31, 2022 AND 2021

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INDEPENDENT AUDITORS' REPORT

To the Participants and the Administrator of
Ballester Hermanos Retirement Plan:

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

We have performed an audit of the financial statements of Ballester Hermanos Retirement Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2022 and 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2022 and 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2022 and 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the Financial Statements

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

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

Basis for Opinion on the Financial Statements

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

Responsibilities of Management for the Financial Statements

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

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

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

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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

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

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

Others Matters

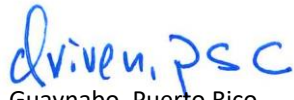
Supplemental Schedule Required by ERISA

The supplemental schedule of assets held at end of year at December 31, 2022, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

In our opinion:

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


Guaynabo, Puerto Rico

September 29, 2023

Certified Public Accountants
(of Puerto Rico)

License No. 329 Expires December 1, 2024
Stamp E531876 of P.R. Society of
Certified Public Accountants has been
affixed to the file copy of this report

BALLESTER HERMANOS RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
INVESTMENTS, AT FAIR VALUE	\$ 22,372,693	\$ 25,939,482
RECEIVABLES:		
Employers' contributions	20,400	20,620
Participants' contributions	56,242	54,291
Notes receivable from participants	674,150	636,936
Accrued interest and dividends	102	12,920
Total receivables	750,894	724,767
NON-INTEREST EARNING CASH	13,044	19,075
Total assets	<u>23,136,631</u>	<u>26,683,324</u>
LIABILITIES AND NET ASSETS AVAILABLE FOR BENEFITS		
LIABILITIES:		
Accrued plan expenses	\$ 13,219	\$ 11,467
Refund for excess contributions	6,489	-
Total liabilities	<u>19,708</u>	<u>11,467</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 23,116,923</u>	<u>\$ 26,671,857</u>

BALLESTER HERMANOS RETIREMENT PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2022

	2022
ADDITIONS TO NET ASSETS ATTRIBUTED TO:	
Participants' contributions	\$ 1,931,669
Employers' contributions	1,009,702
Rollovers	12,684
Interest and dividends	423,528
Total additions	<u>3,377,583</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:	
Net depreciation in Plan's investments	5,024,955
Benefits paid to participants	1,816,721
Administrative expenses	90,841
Total deductions	<u>6,932,517</u>
NET DECREASE IN NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ (3,554,934)
NET ASSETS AVAILABLE FOR PLAN BENEFITS, beginning of year	<u>26,671,857</u>
NET ASSETS AVAILABLE FOR PLAN BENEFITS, end of year	<u>\$ 23,116,923</u>

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

BALLESTER HERMANOS RETIREMENT PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

1. REPORTING ENTITY AND DESCRIPTION OF THE PLAN

The following brief description of the Ballester Hermanos Retirement Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan document for more complete description of the Plan's provisions.

Plan Description – The Plan is a defined contribution plan covering the employees of Ballester Hermanos, Inc., Fortiflex, Inc. and La Enoteca de Ballester, LLC (a related entities) (the “Plan Sponsors” or the “Plan Administrator”) who are residents of Puerto Rico, have completed three months of service, and are age twenty-one or older. Ballester Hermanos, Inc., serves as Plan administrator. The Plan was established effective January 1, 2006 and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Contributions – Participants may contribute a pre-tax annual compensation up to the maximum amount in accordance with the provisions of the Puerto Rico Income Tax Code (\$15,000 for the years ended December 31, 2022 and 2021). The service requirement to participate on the plan are 3 months of service determined using the elapsed time method. The participants start their pre-tax contributions upon meeting the eligibility criteria. The automatic pre-tax contribution was established at 3% of the employee's salary and will be allocated to a low-risk fund designated by the Plan Administrator. The participant may change or terminate the contribution and the investment alternative at any time after the automatic enrollment became effective; or earlier if opted-out in writing. In August 1, 2018, the plan was amended to change the automatic pre-tax contribution to 5% and for all participants will increase yearly 1% up to a cap of 7%.

The Plan Sponsors matches \$0.25 for each dollar of a Participant’s Pre-Tax Contribution up to 4% and for a Participant's Pre-Tax Contribution greater than 4% and up to 7% the matching contribution will be equal to \$1.00 for each dollar contributed into the Plan. The Plan Sponsors make additional matching contributions based on years of service and at their sole discretion.

A participant that has attained age of fifty (50) by the end of the Plan’s year can make an additional pre-tax contribution up to a maximum of \$1,500. This additional contribution is not eligible for matching.

Participants may also make post-tax contributions to the Plan up to 10% of their total compensation. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

BALLESTER HERMANOS RETIREMENT PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

Participant Accounts and Forfeitures – Each participant’s account is credited with the participant's contribution and allocations of (a) the Sponsors’ contribution, (b) Plan earnings, and (c) at the discretion of the Plan Sponsors, forfeitures of terminated participants' non-vested accounts. The portion of a participant's account not vested at the date of his/her termination of employment is forfeited immediately.

Forfeitures accrued during a plan year are used to reduce the employer contribution to the Plan for the plan year immediately after the year in which forfeitures were made, or if in excess of the employer contribution for such plan year, the excess amounts are used to reduce the employer contribution in the next succeeding plan year. At December 31, 2022 and 2021, forfeitures of non-vested accounts amounted to \$164,648 and \$136,278, respectively.

Vesting – Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Sponsors’ contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after six years of credited service.

The vesting schedule is as follows:

Years of Service	Master Trust
Less than 2	0%
At least 2	20%
At least 3	40%
At least 4	60%
At least 5	80%
At least 6	100%

Plan Expenses and Administration – Banco Popular de Puerto Rico Trust Division (“BPPR”) serves as record keeper and custodian for the Plan.

The Plan Sponsors are responsible for the general administration of the Plan and for carrying out the provisions thereof. The Plan Sponsors have established a committee to discharge the administration and fiduciary duties under the Plan.

Administrative expenses are borne by the Plan and by the Plan Sponsors. Custodian, recordkeeping and investment advisory fees are paid by the Plan. During the year ended December 31, 2022, administrative expenses charged to the Plan amounted to \$90,841. Other costs for administering the Plan such as audit, legal advice, use of other specialists, among other charges are borne by the Plan Sponsors.

BALLESTER HERMANOS RETIREMENT PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

The existing agreement between the Plan and BPPR as the record keeper and custodian entails the collection by BPPR of certain service compensation, such as 12B-1 fees, from each of the underlying Plan's mutual or other investments funds. The collected service fees are then used to pay the custodian and recordkeeping charges to BPPR. Differences between the service fees collected from the mutual or investment funds and the actual custodian and recordkeeping charges are accrued by the Plan. The unpaid portion at December 31, 2022 and 2021, amounted to \$13,219 and \$11,467, respectively, and are included as accrued plan expenses in the accompanying statements of net assets available for benefits.

Investments Options – Upon enrollment in the Plan, a participant may direct contributions into various investment options offered by the Plan. Contributions to a participant account that has not chosen an investment option are invested in a default portfolio of funds. Participants may change their contributions at any time thereafter. The Plan also allows participants to change their investments options daily.

Non-participant Directed Investments – At December 31, 2022, there were no non participant directed investments in the Plan.

Notes Receivable from Participants – Under the terms of the Plan, participants may borrow from their accounts a minimum of \$1,000 up to \$50,000, or 50% of their vested account balance, whichever is lower. The notes receivable from participants ("Loans") are secured by the balance in the participants' accounts and bear interest at a rate commensurate with local market rates for similar loans. Interest rate on Loans outstanding as of December 31, 2022 and 2021 ranges from 3.25% to 7%, respectively for the term of the loan, which do not exceed five (5) years, or 10 years if used for the purchase of a residence. Notes receivable from participants at December 31, 2022 and 2021, amounted to \$674,150 and \$636,936, respectively.

Payment of Benefits – Immediate distributions may be made at participants' election upon termination of employment in lump sum payment or in monthly installments over a period up to ten (10) years, if the accounts' balance exceeds \$5,000, as elected by the participants. The normal retirement age is the date a participant attains their 65th birthday. Early retirement is permitted at the participant's election from any accounts which are 100% vested if the participants had reached the age of fifty-five (55) years. A participant may withdraw amounts at any time from their salary after-tax contributions account, subject to uniform and nondiscriminatory standards established by the Plan Administrator. In the case of a participant termination because of death, the entire vested amount is paid to the person or persons legally entitled thereto.

BALLESTER HERMANOS RETIREMENT PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

Hardship Withdrawals – Under the provisions of the Plan, participants are permitted to make hardship withdrawals out from the participant's pre-tax, catch-up and roll-over contributions, reduced by any loan outstanding as of the financial hardship distribution date. Such withdrawal is only permitted if: a) financial hardship is demonstrated, b) the withdrawal is approved by the Plan Administrator and c) such withdrawal is allowable under the Puerto Rico Income Tax Code.

The Department of Treasury issued the Internal Revenue Circular Letter No. 22-13 of September 27, 2022 (the "Circular Letter"), which established the rules applicable to distributions of retirement plans and individual retirement accounts ("IRAs") related to damages caused by hurricane Fiona in September 18, 2022. Financial relieve will be provided by an approved special legislation that allows for certain eligible withdrawals during a specific period and subject to a preferential tax treatment, as established by the Puerto Rico Treasury Department's Administrative Order No.22-08 ("DA 22-08"). Pursuant to AD 22-08, the eligible withdrawals are allowed during the period from October 6, 2022 through December 31, 2022. Special distributions will be subject to taxation as follows:

- The first \$10,000 distributed within the term established by the Secretary, and after a Declaration of a Disaster by the Governor of Puerto Rico, will be excluded from the definition of gross income, pursuant to Code Section 1031.01(b)(18), and will not be subject to any type of withholding at source ("Excluded Amount");
- Any distribution in excess of the first \$10,000 will be subject to a special 10% tax, in lieu of any other tax imposed by the Code, including the Alternate Basic Tax, as long as the total distributions made during the term established by the Secretary does not exceed \$100,000;
- In aggregate, the total distributions from a Retirement Plan or an IRA Account will not exceed the limit of \$100,000 during the period established by the Secretary through a general communication.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Plan's financial statements are prepared on the accrual basis of accounting. A summary of the significant accounting policies used by the Plan follows:

Use of Estimates in the Preparation of Financial Statements – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of changes in net assets available for benefits during the reporting periods. Actual results could differ from those estimates.

BALLESTER HERMANOS RETIREMENT PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

Cash – Cash represents amounts in non-interest earning account that will be used for benefit and administrative payments.

Contributions – Employees contributions and Plan Sponsors matching contributions are recorded in the plan year period in which the Plan Sponsors make payroll deductions from the Plan participants' earnings.

Investments Valuation and Income Recognition – Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Refer to Note 3 to the Financial Statements for additional disclosure related to fair value measurements.

The Plan investment return includes interest income, gains and losses on sales of investments and unrealized appreciation or depreciation of investments. The financial statements reflect the net appreciation or depreciation in the fair value of the Plan's investments. This net appreciation or depreciation consists of realized gains and losses calculated as the difference between proceeds from a sales transaction and cost, and unrealized gains and losses calculated as the change in the fair value between beginning of the year (or purchase date if later) and the end of the year.

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

Notes Receivable from Participants – Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions, based upon the terms of the plan document.

Payment of Benefits – Benefits payments to participants are recorded upon distribution. There were no withdrawals that were requested but have not yet been paid at December 31, 2022.

Transfer of Assets from/to Other Plans – Terminated employees or retirees may elect to transfer their savings from/to other plans qualified by the Puerto Rico Treasury Department.

3. FAIR VALUE MEASUREMENTS

The FASB's authoritative guidance on Fair Value Measurement and Disclosures, establishes a framework for measuring fair value which 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 this guidance are described below:

BALLESTER HERMANOS RETIREMENT PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

<i>Level 1</i>	Inputs to the valuation methodology are unadjusted quoted prices for identical assets of liabilities in active market that the plan has the ability to access.
<i>Level 2</i>	Inputs to the valuation methodology include: • Quoted prices similar assets or liabilities in active market; • Quoted prices for identical or similar assets or liabilities in inactive markets; • Inputs other than quoted prices that are observable for the asset or • Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
<i>Level 3</i>	Inputs to the valuation methodology are unobservable and significant to the fair value measurements.

The assets 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.

Interest Bearing Deposits – The carrying amount of interest-bearing deposits are reasonable estimates of fair value due to its short term maturity. These interest-bearing deposits are available upon demand are being classified as level 1.

Mutual funds - Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded and are classified as Level 1. Investments in mutual funds generally may be redeemed daily.

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

BALLESTER HERMANOS RETIREMENT PLAN
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The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021:

Assets at Fair Value as of December 31, 2022				
	Level 1	Level 2	Level 3	Total
Interest earning deposit	\$ 28,499	\$ -	\$ -	\$ 28,499
Mututal fund	22,344,194	-	-	22,344,194
Total value on interest of registered securities	\$ 22,372,693	\$ -	\$ -	\$ 22,372,693

Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Interest earning deposit	\$ 28,755	\$ -	\$ -	\$ 28,755
Mututal fund	25,910,727	-	-	25,910,727
Total value on interest of registered securities	\$ 25,939,482	\$ -	\$ -	\$ 25,939,482

4. INFORMATION CERTIFIED BY THE CUSTODIAN

The Plan Administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Banco Popular, the trustee of the Plan, has certified as to the completeness and accuracy of all investments reflected on the accompanying statements of net assets available for benefits as of December 31, 2022 and the supplemental Schedule H, line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2022; and the related investment activity reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2022.

5. TAX STATUS

During 2006, the Plan was officially granted the qualification from the Puerto Rico Treasury Department ("PRTD") to operate under the provisions of former section 1165(e) of the Puerto Rico Income Tax Code. Such qualification provides the tax-deferral and deduction features at the participants' and Plan Sponsors' level and ratifies such treatment since the Plan's inception. The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Income Tax Code and has no income subject to unrelated business income tax. Therefore, no provision for income taxes has been included in the Plan's financial statements.

BALLESTER HERMANOS RETIREMENT PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

In Puerto Rico, the tax laws permit examination of the Plan Sponsors' income tax returns for up to four years after the initial return is filed. The tax years of the Plan Sponsors with respect to the Plan that remain open for examination are from 2018 to 2021.

6. PLAN TERMINATION

Although it has not expressed any intention to do so, the Plan Sponsors have the right under the Plan to reduce, suspend or discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan terminates, the interest of each participating employee in the Plan shall be fully vested and such termination shall not reduce the interest of any participating employee, or their beneficiaries accrued under the Plan up to the date of such termination.

7. RISK AND UNCERTAINTIES

The Plan's investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments and level of uncertainty related to changes in the values of investments, it is possible that changes in market values in the near term would materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits and the statement of changes in net assets available for benefits. Individual participants' accounts bear the risk of loss resulting from fluctuations in fund values.

8. PARTIES-IN-INTEREST

Certain Plan investments consists of funds administered by an affiliate of Popular Fiduciary Services, the Plan's custodian and record keeper and therefore, these transactions qualify as allowable party-in-interest transactions. Other related parties consist of Ballester Hermanos, Inc., La Enoteca de Ballester, LLC and Fortiflex, Inc. as employers; directors, officers and employees of Ballester Hermanos, Inc. and Affiliates; Popular Securities as investment advisor.

9. NON-DISCRIMINATION TESTS

For the year ended December 31, 2022, the Plan failed the non-discrimination test. To correct the excess contribution corresponding to 2022, the Plan opted to reimburse, and to disclose as a liability, the excess contributions amounting to \$6,489. For the year ended December 31, 2021, the Plan passed the non-discrimination test, therefore, no corrective action was deemed necessary.

BALLESTER HERMANOS RETIREMENT PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

FASB's authoritative guidance for reporting purposes require participant loans to be classified as notes receivable from participants and measured at their unpaid principal balance plus any accrued but unpaid interest. However, notes receivable from participants are considered investments for Form 5500 reporting purposes.

11. SUBSEQUENT EVENTS

The Plan Administrator evaluated subsequent events through September 29, 2023, the date on which the financial statements were available to be issued. There are no material subsequent events that would require further disclosure in the Plan's financial statements.

SUPPLEMENTARY INFORMATION

(See Independent Auditors' Report)

BALLESTER HERMANOS RETIREMENT PLAN
EIN: 66-0175269 PLAN NO. 1
FORM 5500, SCHEDULE H, PART IV, LINE 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2022

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	American Funds U.S. Government Money Market	2,781,811 shares		\$ 2,781,811
	Federated Trust for US Treasury Obli	6,101 shares		6,101
	Total Money Market			2,787,912
	American Balanced Fd	30,294 shares		871,562
	American Mutual Funds	9,292 shares		450,125
	American Funds Capital Grwth & Income Fund	19,356 shares		998,010
	American Europacific Grth	38,457 shares		1,885,552
	Franklin Small Cap Grw Fd	82,408 shares		1,519,606
	Growth Fd Amer Inc Cl	42,183 shares		2,088,491
	T Rowe Price Retirement I 2005	1,330 shares		13,881
	T Rowe PR Retirement I 2010	53,981 shares		578,679
	T Rowe Price Retirement Fds 2015	8,081 shares		90,183
	T Rowe Price Retirement Fds 2020	27,188 shares		317,289
	T Rowe Price Retirement I 2025	33,313 shares		415,751
	T Rowe Price Retirement Fds 2030	58,107 shares		755,385
	T Rowe Price Retirement I 2065 Fund	1,288 shares		12,761
	T Rowe Price Retirement 2035	70,496 shares		955,227
	T Rowe Price Retirement Fds I 2040	62,620 shares		862,905
	T Rowe Price Retirement Bal	1,338 shares		14,058
	T Rowe Price Retirement Fds I 2060	4,084 shares		59,172
	T Rowe Price Retirement 2055	54,672 shares		781,815
	T Rowe Price Retirement Fds I 2050	68,462 shares		965,992
	T Rowe Price Retirement 2045	92,734 shares		1,309,402
	Vanguard 500 Index Fund	1,597 shares		565,589
	American Washington Mutual Inv Fund	34,943 shares		1,817,360
	Janus Henderson Enterprise Fund N	14,206 shares		1,724,724
	Mfs Ser Tr IX Resh Fd CI R5	54,061 shares		502,763
	Total Mutual Funds			19,556,282
	* BPPR Time Deposit Open Account	Open Deposit Account - Interest earning deposit		28,499
	Total Investments			22,372,693
	* Non-interest earning cash			13,044
	* Notes receivable from participants	Participants loans with maturities ranging from 2023 to 2028 and interest rates ranging from 3.25% to 7%		674,150
				\$ 23,059,887
	* Pay-in-interest	Cost s not required for participant-directed investments and therefore, is not included.		

Note: The above data was prepared from information certified as complete and accurate by Banco Popular de Puerto Rico, the Plan's Custodian. During the year ended December 31, 2022, the Plan had, as defined by ERISA; (a) no obligations in default, and (b) no leases in default.

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