

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 298
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) 94 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 0 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2I 2P 2Q b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> 0 A (Insurance Information) (4) <input type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code _____

**SCHEDULE 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 01/01/2022 and ending 12/31/2022

A Name of plan <u>NEW CONCEPT TECHNOLOGY, INC. EMPLOYEE STOCK OWNERSHIP 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>NEW CONCEPT TECHNOLOGY, INC.</u>	D Employer Identification Number (EIN) <u>20-4950035</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)	1563072	0
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)	2902	0
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)	1662500	0
(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	3228474	0
Liabilities			
g Benefit claims payable.....	1g	4474	0
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j	5415480	0
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	5419954	0
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	-2191480	0

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)		
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)	0	
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)	0	
(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)		
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		3853980
d Total income. Add all income amounts in column (b) and enter total	2d		3853980
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1658298	
(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)		1658298
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)	4202	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		4202
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1662500
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		2191480
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: **RKL, LLP**

(2) EIN: **23-2108173**

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

		Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....	4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	4d		X	
e Was this plan covered by a fidelity bond?.....	4e	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.).....	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k	X		
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

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

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

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan <u>NEW CONCEPT TECHNOLOGY, INC. EMPLOYEE STOCK OWNERSHIP 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>NEW CONCEPT TECHNOLOGY, INC.</u>	D Employer Identification Number (EIN) <u>20-4950035</u>	

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

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

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

1	0
---	---

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
EIN(s): 33-6134835

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
c The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14c	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....	15a	
b The corresponding number for the second preceding plan year.....	15b	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment

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

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

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

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

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

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

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

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

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

Yes.

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

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

No. Other. Provide explanation _____



**New Concept Technology, Inc.
Employee Stock Ownership Plan**

**Financial Statements and
Supplemental Schedule**

December 31, 2022 and 2021



New Concept Technology, Inc. Employee Stock Ownership Plan

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December 31, 2022 and 2021

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Independent Auditor's Report

To the Plan Committee and Participants
New Concept Technology, Inc.
Employee Stock Ownership Plan
New Freedom, Pennsylvania

Opinion

We have audited the financial statements of New Concept Technology, Inc. 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 in liquidation available for benefits as of December 31, 2022 and the statement of net assets (deficit) available for benefits as of December 31, 2021, the related statement of changes in net assets (deficit) in liquidation available for benefits for the year ended December 31, 2022, the statement of changes in net assets (deficit) available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets in liquidation available for benefits of the Plan as of December 31, 2022 and the statement of net assets (deficit) available for benefits as of December 31, 2021, the related statement of changes in net assets (deficit) in liquidation available for benefits for the year ended December 31, 2022, the statement of changes in net assets (deficit) available for benefits for the year ended December 31, 2021, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, management of New Concept Technology, Inc., the Plan's sponsor, voted on May 3, 2022 to terminate the Plan. Effective September 15, 2022, the Plan was terminated. Our opinion is not modified with respect to the matter.

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.

Responsibilities of Management for the Financial Statements (continued)

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

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

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits 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 Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Schedule H, Line 4j - Schedule of Reportable Transactions for the year ended 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 has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

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

In our opinion, the information in the accompanying schedule 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.

RKL LLP

October 15, 2023
York, Pennsylvania

New Concept Technology, Inc. Employee Stock Ownership Plan

Statement of Net Assets in Liquidation Available for Benefits

	December 31, 2022		
	Allocated	Unallocated	Total
Assets			
Employer Contribution Receivable	\$ -	\$ -	\$ -
Other Receivable	-	-	-
Investments in New Concept Technology, Inc. Common Stock, at Fair Value	-	-	-
Total Assets	-	-	-
Liabilities			
Note Payable	-	-	-
Interest Payable	-	-	-
Total Liabilities	-	-	-
Net Assets in Liquidation Available for Benefits	\$ -	\$ -	\$ -

New Concept Technology, Inc. Employee Stock Ownership Plan

Statement of Net Assets (Deficit) Available for Benefits (continued)

	December 31, 2021		
	Allocated	Unallocated	Total
Assets			
Employer Contribution Receivable	\$ 1,572	\$ 1,561,500	\$ 1,563,072
Other Receivable	2,902	-	2,902
Investments in New Concept Technology, Inc. Common Stock, at Fair Value	<u>1,062,746</u>	<u>599,754</u>	<u>1,662,500</u>
Total Assets	<u>1,067,220</u>	<u>2,161,254</u>	<u>3,228,474</u>
Liabilities			
Note Payable	-	4,470,647	4,470,647
Interest Payable	<u>-</u>	<u>944,833</u>	<u>944,833</u>
Total Liabilities	<u>-</u>	<u>5,415,480</u>	<u>5,415,480</u>
Net Assets (Deficit) Available for Benefits	<u>\$ 1,067,220</u>	<u>\$ (3,254,226)</u>	<u>\$ (2,187,006)</u>

New Concept Technology, Inc. Employee Stock Ownership Plan

Statement of Changes in Net Assets (Deficit) in Liquidation Available for Benefits

	Year Ended December 31, 2022		
	Allocated	Unallocated	Total
Additions			
Other income	\$ -	\$ 3,853,980	\$ 3,853,980
Allocation of 31,780 shares of common stock of New Concept Technology, Inc. released from December 31, 2021	150,955	-	150,955
Release of 94,494 shares of common stock of New Concept Technology, Inc. for 2022	448,799	-	448,799
Total Additions	599,754	3,853,980	4,453,734
Deductions			
Other deductions	4,202	-	4,202
Benefits paid to participants	1,662,772	-	1,662,772
Release of 31,780 shares of common stock of New Concept Technology, Inc. from December 31, 2021	-	150,955	150,955
Release of 94,494 shares of common stock of New Concept Technology, Inc. for 2022	-	448,799	448,799
Total Deductions	1,666,974	599,754	2,266,728
Net Increase (Decrease)	(1,067,220)	3,254,226	2,187,006
Net Assets (Deficit) Available for Benefits at Beginning of Year	1,067,220	(3,254,226)	(2,187,006)
Net Assets in Liquidation Available for Benefits at End of Year	\$ -	\$ -	\$ -

New Concept Technology, Inc. Employee Stock Ownership Plan

Statement of Changes in Net Assets (Deficit) Available for Benefits (continued)

	Year Ended December 31, 2021		
	Allocated	Unallocated	Total
Additions			
Net appreciation in fair value of investments	\$ 1,060,509	\$ 598,491	\$ 1,659,000
Employer contributions	-	1,561,500	1,561,500
Committed to be released, 31,780 shares of New Concept Technology, Inc. at fair value	-	150,955	150,955
Allocation of -0- shares of common stock of New Concept Technology, Inc.	-	-	-
Total Additions	<u>1,060,509</u>	<u>2,310,946</u>	<u>3,371,455</u>
Deductions			
Interest expense	-	217,546	217,546
Committed to be released, 31,780 shares of New Concept Technology, Inc., at fair value	-	150,955	150,955
Allocation of -0- shares of common stock of New Concept Technology, Inc.	-	-	-
Total Deductions	<u>-</u>	<u>368,501</u>	<u>368,501</u>
Net Increase	1,060,509	1,942,445	3,002,954
Net Assets (Deficit) Available for Benefits at Beginning of Year	<u>6,711</u>	<u>(5,196,671)</u>	<u>(5,189,960)</u>
Net Assets (Deficit) Available for Benefits at End of Year	<u>\$ 1,067,220</u>	<u>\$ (3,254,226)</u>	<u>\$ (2,187,006)</u>

See accompanying notes.

New Concept Technology, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2022 and 2021

Note 1 - Description of Plan

The following description of the New Concept Technology, Inc. Employee Stock Ownership Plan (the Plan) provides only general information. Participants should refer to the plan agreement for more complete information.

General and Plan Termination

The Plan is a defined contribution pension plan covering all full-time employees of New Concept Technology, Inc. (the Company) who have one year of service with at least 1,000 hours of service and are age 21 or older. Participants may enter the Plan on January 1 or July 1. The Plan operates as a 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 (Code) of 1986, as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan purchased Company common stock using proceeds of Company borrowings and holds the common stock in a trust established under the Plan. As the Plan makes debt payments, an appropriate percentage of stock will be allocated to eligible participants' accounts in accordance with applicable regulations under the Code.

The borrowings are collateralized by the unallocated shares of common stock and guaranteed by the Company. The lender has no rights against shares of common stock once they are allocated to the participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan as of December 31, 2022 and 2021 and for the years then ended present separately, the assets and liabilities and changes therein pertaining to:

- (1) The accounts of employees with vested rights in allocated common stock (allocated), and
- (2) Common stock not yet allocated to employees (unallocated).

On May 3, 2022, Management of New Concept Technology, Inc., the Plan's sponsor, voted to terminate the Plan with an effective date of September 15, 2022. The accrued benefits of the participants in the Plan were 100% vested as of the effective date. As a result, management determined that liquidation was imminent. A Notice of Interested Parties advising that an application was to be filed was distributed to Plan participants. The application for approval of the Plan's termination was filed with the IRS. In addition, a Notice of Plan Benefits was distributed to Plan participants and subsequently a Standard Termination Notice was filed with the Pension Benefit Guaranty Corporation (PBGC). The Notice of Plan Benefits is a statement of a participant's accrued benefit under the Plan, including an estimate of the amount of a single cash payment to which the participant would be entitled following the receipt of Plan termination approval. As a result of the resolution to terminate the Plan, each participant with an accrued benefit under the Plan had the following choices to have the present value of his or her accrued benefit: distributed in a single cash payment either (i) directly to him or her or (ii) as a direct rollover by the Plan's trustee into either the Company's 401(k) Plan or the participant's rollover Individual Retirement Account.

New Concept Technology, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2022 and 2021

Note 1 - Description of Plan (continued)

Contributions

No contributions are made by participants. The Company may contribute a discretionary contribution, to be determined each year. The Company made no discretionary contributions for the 2022 plan year. In May 2022, the plan sponsor made a contribution to the Plan in the amount of \$1,561,500 for the 2021 plan year. The Plan recorded a \$1,561,500 employer contribution receivable for the balance as of December 31, 2021. The contribution may be in New Concept Technology, Inc. common stock or in cash. In addition, the Company was required to make annual contributions in an amount sufficient to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan. The corresponding share value related to this annual installment is included in unallocated investments at fair value on the statement of net assets (deficit) available for benefits and is committed to be released on the statement of changes in net assets (deficit) available for benefits on December 31, 2021. Contributions are subject to certain IRS limitations.

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of the Company's contribution and forfeitures of terminated participants' nonvested accounts. Only those participants who are eligible employees of the Company as of the last day of the plan year or who terminated service during the year due to normal retirement, death, or disability will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation. Plan earnings (loss) are allocated to each participant's account based on the ratio the participant's account balance bears to the sum of all participants' account balances.

Vesting

Vesting is determined on a graded scale starting at 20% after one year of credited service and increasing 20% per year for each additional year of credited service until attaining 100% vesting after five years of credited service, based on the following vesting schedule:

Years of Service	Vesting Percentage
1	20%
2	40
3	60
4	80
5 or more	100

Regardless of the number of years of service, a participant's account balance becomes fully vested when the participant attains age 65 or upon death or disability. Effective September 15, 2022, as a result of the decision to terminate the Plan, the accrued benefits of participants in the Plan were 100% vested.

New Concept Technology, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2022 and 2021

Note 1 - Description of Plan (continued)

Payment of Benefits

No distributions from the Plan will be made until a participant retires, dies (in which case payment shall be made to his or her beneficiary or if none, his or her legal representatives), or otherwise terminates employment with the Company. On termination of service due to death, disability, or retirement, distributions will be paid as soon as administratively possible in either a lump-sum, if the vested balance is less than \$5,000, or annual installments over a five-year period. On termination of service for other reasons, for participants who have reached five breaks in service, the vested portion of their account will be paid in a lump sum, if their vested balance is less than \$1,000, or annual installments over a five-year period, distributions are made in cash.

Forfeited Accounts

Plan forfeitures are allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation for the plan year. During 2022 and 2021, \$272 and \$-0- of forfeitures of terminated nonvested account balances were allocated to remaining participant accounts.

Put Option

Under federal income tax regulations, the 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 stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a 6-year period. In each of the first 5 years, a participant may diversify up to 25% of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. If a participant elects to diversify their stock, they may not elect to convert back to New Concept Technology, Inc. common stock.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the trustee prior to the time that such rights are to be exercised. The trustee is not permitted to vote any allocated share for which instructions have not been given by a participant. The trustee is required, however, to vote any unallocated shares on behalf of the collective best interest of the Plan participants and beneficiaries.

New Concept Technology, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2022 and 2021

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

Due to the decision to terminate the Plan during 2022, management determined that liquidation of the Plan was imminent and the financial statements for 2022 have been prepared using the liquidation basis of accounting. Due to the fact that the decision to terminate the Plan was not made until 2022, the financial statements for 2021 were prepared using the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates. The financial statements include New Concept Technology, Inc. common stock, whose value has been estimated by the trustee with the assistance of an independent valuation specialist in the absence of readily ascertainable market value. Because of the inherent subjectivity in any valuation, the estimated value may differ significantly from the value that would have been used had a ready market for the securities existed and the difference could be material.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

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

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

As provided in the plan agreement, administrative expenses may be paid either by the Plan or by the Company. The Company has historically paid the operating expenses for the Plan.

Note 3 - Investments

On May 3, 2022, Management of New Concept Technology, Inc., the Plan's sponsor, voted to terminate the Plan with an effective date of September 15, 2022. Due to the termination of the Plan referenced in Note 1, the remaining 94,494 unallocated shares were allocated to participant accounts during the year ended December 31, 2022. As of December 31, 2022, all shares of New Concept Technology, Inc. stock were redeemed by the Company.

Effective February 16, 2022, 31,780 shares were committed to be released with regard to the \$1,561,500 contribution that was accrued for by New Concept Technology, Inc. as of December 31, 2021 and subsequently used to repay debt of the ESOP.

New Concept Technology, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2022 and 2021

Note 3 - Investments (continued)

The Plan's investments are presented in the following table (all non-participant directed) at December 31, 2021:

	<u>Allocated</u>	<u>Unallocated Committed to be Released</u>	<u>Unallocated</u>
New Concept Technology, Inc. Common Stock			
Number of shares	<u>223,736</u>	<u>31,780</u>	<u>94,484</u>
Fair value	<u>\$ 1,062,746</u>	<u>\$ 150,955</u>	<u>\$ 448,799</u>
Fair value per share	<u>\$ 4.75</u>	<u>\$ 4.75</u>	<u>\$ 4.75</u>

Note 4 - Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

New Concept Technology, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2022 and 2021

Note 4 - Fair Value Measurements (continued)

The following is a description of the valuation methodology used for assets measured at fair value. There has been no change in the methodology used at December 31, 2021.

The fair value of the New Concept Technology, Inc. common stock held by the Plan is valued at fair value based upon an independent appraisal. For 2021, the appraisal was based upon a commonly accepted market approach to valuation (the asset approach). The appraiser took into account the general economic outlook and the outlook for the automobile electronics manufacturing and electronic component manufacturing industries, the financial condition of the Company, and the results of operations of the Company, among other factors.

The method 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 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 fair value measurements at December 31:

	Fair Value Measurements at December 31, 2021			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investment in New Concept Technology, Inc. common stock	\$ -	\$ -	\$ 1,662,500	\$ 1,662,500

Changes in Fair Value Levels

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 evaluated 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. The Company redeemed 350,000 and -0- shares valued at \$1,662,500 and \$-0- of the Plan's Level 3 assets for the years ended December 31, 2022 and 2021, respectively.

New Concept Technology, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2022 and 2021

Note 4 - Fair Value Measurements (continued)

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following table represents the Plan's Level 3 financial instruments, the valuation technique used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs:

Instrument	Fair Value		Principal Valuation Technique	Unobservable Inputs
	December 31, 2022 (in Liquidation)	December 31, 2021 (Ongoing)		
Common stock	\$ -	\$ 1,662,500	Adjusted net asset value approach	Discount for lack of marketability

Note 5 - Note Payable

On May 1, 2006, the Plan entered into two notes to purchase 350,000 shares of New Concept Technology, Inc. common stock from a stockholder of the Company. The purchase price was \$7,000,000. One note was paid in full during 2016.

During December 2016, the remaining note was restructured in the amount of \$4,638,524 consisting of the current principal balance of \$2,803,683 plus accrued interest through December 2016 of \$1,834,841. The note contained two repayment components: (1) principal and interest payments of \$33,937 for 120 months beginning January 2017 and (2) interest only payments of \$5,994 for 120 months beginning January 2017. A balloon payment of \$2,363,872 was due in March 2027. Interest of 5.00% on the principal balance outstanding is calculated on the basis of a 365-day year and the actual days elapsed from the date of the funding of the loan or, for all future interest payments, from the date of the immediately preceding principal payment.

The note holder waived all payments of principal and interest from September 2017 through December 2021. During the year ended December 31, 2021, there were no payments of principal and interest on the note. During the year ended December 31, 2022, a principal and interest payment in the amount of \$1,561,500 was made. On September 15, 2022, the effective termination date of the Plan, all outstanding principal and accrued interest in the amount of \$3,853,980 was forgiven by a stockholder of the Company. The full amount of forgiveness of all outstanding principal and accrued interest is included in other income on the statement of changes in net assets (deficit) in liquidation available for benefits for the year ended December 31, 2022.

Unallocated shares are collateral for the note payable. As the principal and interest portions of the note payable are paid, a proportionate number of shares are released to the Plan for allocation to the participants. During the years ended December 31, 2022 and 2021, respectively, 31,780 and -0- shares were released to the participants in relation to debt payments. As of December 31, 2021, 31,780 shares were committed to be released with regards to the \$1,561,500 contribution receivable recorded by the Plan to repay debt in early 2022 as referenced in Note 1. Due to the termination of the Plan during 2022, the remaining 94,494 unallocated shares were allocated to participant accounts in relation to the forgiveness of the outstanding principal amount of the note payable.

New Concept Technology, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2022 and 2021

Note 5 - Note Payable (continued)

The note payable consists of the following at December 31:

	<u>2022</u> <u>(in Liquidation)</u>	<u>2021</u> <u>(Ongoing)</u>
Note payable - minority stockholder	\$ -	\$ 4,470,647

Interest expense associated with the note payable to a minority stockholder totaled \$-0- and \$217,546 for the years ended December 31, 2022 and 2021, respectively. Interest payable totaled \$-0- and \$944,833 as of December 31, 2022 and 2021, respectively.

Note 6 - Tax Status

The IRS has determined and informed the Company by a letter dated February 28, 2017, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the opinion letter. The plan administrator believes that the Plan is currently designed and is being operated in compliance with the applicable requirements of the IRC. The Plan is exempt from federal and state income taxes under current regulations.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan. Management evaluated the Plan's tax positions and concluded that the Plan had maintained its tax-exempt status and had taken no uncertain tax positions that require recognition or disclosure in the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities for years before 2019.

Note 7 - Administration of Plan Assets

The Plan's assets, which consisted principally of Company common stock and employee contribution receivable, were held by the trustee of the Plan prior to the termination of the Plan.

Company contributions were held and managed by the trustee, which invested cash received, interest and dividend income, and made distributions to participants.

Certain administrative functions were performed by the officers or employees of the Company. No such officer or employee received compensation from the Plan. Certain administrative expenses were paid directly by the Company.

New Concept Technology, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2022 and 2021

Note 8 - Plan Termination

On May 3, 2022, the New Concept Technology, Inc. Employee Stock Ownership Plan was, by unanimous vote, voted to be terminated at a duly called meeting of the New Concept Technology ESOP Committee. Effective September 15, 2022, the Plan was terminated. The outstanding shares held by the Plan were redeemed by the Company in the form of treasury stock at \$4.75 a share during the year ended December 31, 2022. The Plan termination is subject to the provisions of ERISA.

Note 9 - Related Party Transactions and Party-In-Interest Transactions

The Plan invested primarily in the Company's common stock. The Plan also had a note payable with a minority stockholder. These transactions qualify as related party and party-in-interest transactions.

Note 10 - Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets (deficit) available for benefits per the financial statements to Form 5500 at December 31:

	<u>2022</u> <u>(in Liquidation)</u>	<u>2021</u> <u>(Ongoing)</u>
Net assets (deficit) available for benefits per the financial statements	\$ -	\$ (2,187,006)
Benefits payable	-	(4,474)
Net Assets (Deficit) Available for Benefits per the Form 5500	\$ -	\$ (2,191,480)

The following is a reconciliation of benefits paid to participants per the financial statements to Form 5500 for the year ended December 31, 2022:

Benefits paid to participants per the financial statements	\$ 1,662,772
Benefits payable amounts from prior years	(4,474)
Benefits Paid to Participants per the Form 5500	\$ 1,658,298

Amounts allocated to withdrawing participants are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to December 31, 2022 and 2021, but not yet paid as of that date.

Note 11 - Subsequent Events

Plan management has evaluated subsequent events through October 15, 2023. This date is the date the financial statements were available to be issued. No material events subsequent to December 31, 2022 were noted.

New Concept Technology, Inc. Employee Stock Ownership Plan

EIN: 20-4950035, Plan Number 001

Schedule H, Line 4j - Schedule of Reportable Transactions

Year Ended December 31, 2022

(a) Identity of Party Involved	(b) Description of Asset (Including Interest Rate and Maturity in Case of Loan)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Series Transactions						
Common Stock						
*	New Concept Technology, Inc.	\$ -	\$ 1,662,500	\$ 7,000,000	\$ 1,662,500	\$ (5,337,500)

* Represents a party-in-interest.
Lease Rental and "Expense Incurred with Transaction" are not applicable.

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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	5 298
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year	6a(1) 94
a(2) Total number of active participants at the end of the plan year	6a(2) 0
b Retired or separated participants receiving benefits	6b 0
c Other retired or separated participants entitled to future benefits	6c 0
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 0
f Total. Add lines 6d and 6e	6f 0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g 0
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2I 2P 2Q	b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:
9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> A (Insurance Information) (4) <input type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code _____

Schedule H, line 4j – Schedule of Reportable Transactions

Plan Name: New Concept Technology, Inc. ESOP
Employer I.D. #: 20-4950035
Plan Number: 001

(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	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
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Schedule of Reportable Transactions is contained in the attached audit report.