

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 04/01/2022 and ending 03/31/2023	
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 JOHNSON SUPPLY & EQUIPMENT CORPORATION EMPLOYEE STOCK OWNERSHIP PLAN	1b	Three-digit plan number (PN) ▶ 002
		1c	Effective date of plan 10/01/1988
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) JOHNSON SUPPLY & EQUIPMENT CORPORATION 10151 STELLA LINK ROAD HOUSTON, TX 77025-5345	2b	Employer Identification Number (EIN) 74-1989212
		2c	Plan Sponsor's telephone number 713-830-2389
		2d	Business code (see instructions) 423700

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.	01/18/2024	DAVID BURDICK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	01/18/2024	DAVID BURDICK
	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

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		5 203
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) 193
a(2) Total number of active participants at the end of the plan year		6a(2) 196
b Retired or separated participants receiving benefits		6b 8
c Other retired or separated participants entitled to future benefits.....		6c 103
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 307
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 1
f Total. Add lines 6d and 6e		6f 308
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 276
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		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: 2E 2F 2G 2I 2J 2K 2O 2P 2T 3I		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ 1 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 A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance 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. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning 04/01/2022 and ending 03/31/2023	
A Name of plan JOHNSON SUPPLY & EQUIPMENT CORPORATION EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 JOHNSON SUPPLY & EQUIPMENT CORPORATION	D Employer Identification Number (EIN) 74-1989212

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	613953	208	11/01/2022	03/31/2023

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
--

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
--

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end..... **4** 0**5** Current value of plan's interest under this contract in separate accounts at year end..... **5** 0**6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount..... **6d**
Specify nature of costs ▶**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☒ other ▶ CUSTODIAL GUARANTEED INTEREST CONTRACT**b** Balance at the end of the previous year **7b****c** Additions: (1) Contributions deposited during the year **7c(1)** 7795(2) Dividends and credits..... **7c(2)**(3) Interest credited during the year..... **7c(3)** 5752(4) Transferred from separate account..... **7c(4)**(5) Other (specify below) **7c(5)** 403262

▶ TAKEOVER, OUTSIDE INVESTMENT TRANSFER

(6) Total additions..... **7c(6)** 416809**d** Total of balance and additions (add lines **7b** and **7c(6)**) **7d** 416809**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)** 13805(2) Administration charge made by carrier..... **7e(2)** 88(3) Transferred to separate account..... **7e(3)**(4) Other (specify below) **7e(4)** 4680

▶ OUTSIDE INVESTMENT TRANSFER, 401(K) EXCESS DEFERRAL

(5) Total deductions..... **7e(5)** 18573**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**) **7f** 398236

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. Specify nature of costs.	10b	

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

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 04/01/2022 and ending 03/31/2023	
A Name of plan JOHNSON SUPPLY & EQUIPMENT CORPORATION EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 JOHNSON SUPPLY & EQUIPMENT CORPORATION	D Employer Identification Number (EIN) 74-1989212

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PRINCIPAL LIFE INSURANCE COMPANY
42-0127290

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

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

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

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 37 50 64	CONTRACT ADMINISTRATOR	1287	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(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:	BDO USA, LLP	b EIN:	13-5381590
c Position:	ACCOUNTANT		
d Address:	303 E. 17TH AVENUE SUITE 600 DENVER, CO 80203	e Telephone:	312-856-9100

Explanation: GENERAL BUSINESS DECISION TO CHANGE AUDITORS PERIODICALLY.

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 04/01/2022 and ending 03/31/2023			
A Name of plan JOHNSON SUPPLY & EQUIPMENT CORPORATION EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 JOHNSON SUPPLY & EQUIPMENT CORPORATION		D Employer Identification Number (EIN) 74-1989212	

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	14345	55814
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	1983000	2100000
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	101883	
(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)	65171	58238
(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)	4884044	4334618
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		398236
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	8910890	11357706
(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	15959333	18304612

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	26289	47433
k Total liabilities (add all amounts in lines 1g through 1j)	1k	26289	47433

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	15933044	18257179
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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)	2500000	
(B) Participants	2a(1)(B)	268657	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2768657
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)	2826	
(F) Other	2b(1)(F)	785	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		3611
(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)	84783	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		84783
(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)	595666	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		595666

		(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)		-379374
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		3073343
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	703400	
(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)		703400
f Corrective distributions (see instructions)	2f		44775
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)	1033	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1033
j Total expenses. Add all expense amounts in column (b) and enter total	2j		749208
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		2324135
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: **FORVIS, LLP**

(2) EIN: **44-0160260**

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		2473

	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.)		X	
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.)		X	
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.)		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		5000000
4e	X		5000000
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?		X	
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?		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	X		
4m	X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	X		
4n	X		

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 04/01/2022 and ending 03/31/2023		
A Name of plan JOHNSON SUPPLY & EQUIPMENT CORPORATION EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 JOHNSON SUPPLY & EQUIPMENT CORPORATION		D Employer Identification Number (EIN) 74-1989212
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 42-0127290		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....		☐ Yes ☒ No
11 a Does the ESOP hold any preferred stock?.....		☐ Yes ☒ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....		☐ Yes ☒ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?.....		☒ Yes ☐ No
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

☐ Yes.

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

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

☐ No. Other. Provide explanation _____

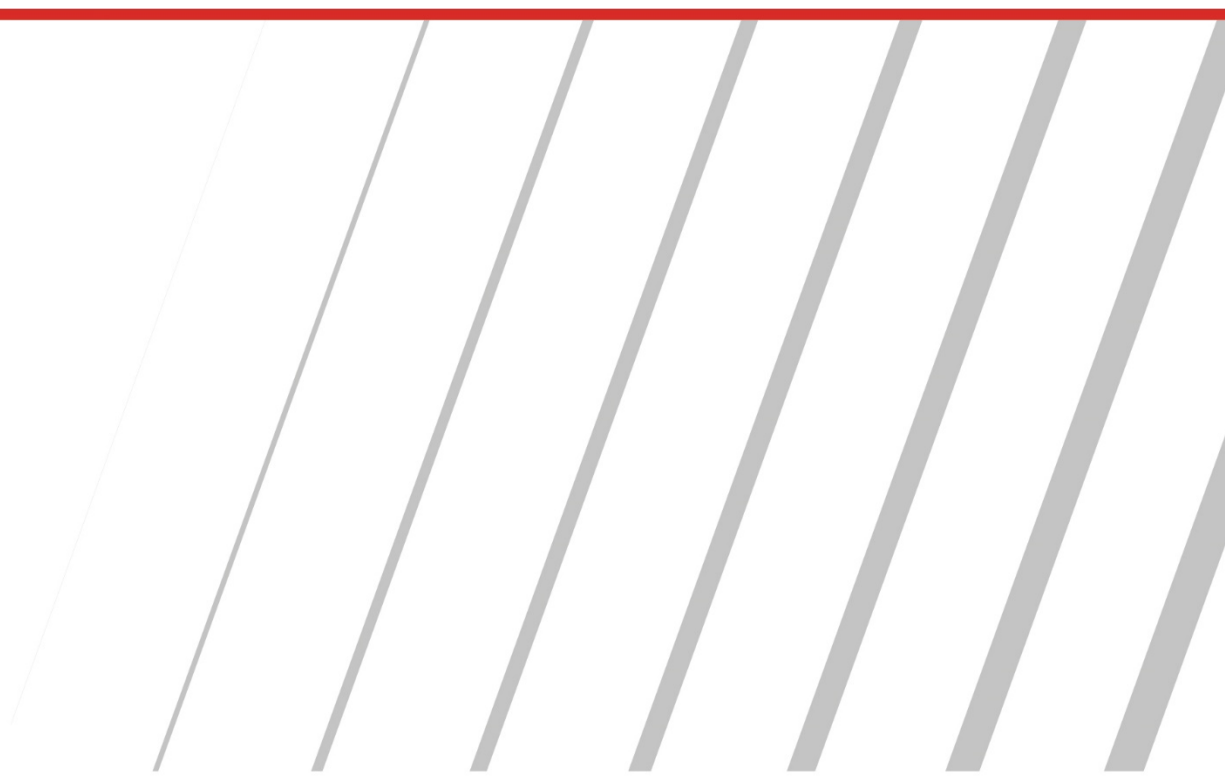


Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

EIN 74-1989212 PN 002

**Independent Auditor's Report and
Financial Statements**

March 31, 2023 and 2022



**Johnson Supply and Equipment Corporation Employee
Stock Ownership Plan
March 31, 2023 and 2022**

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Independent Auditor's Report

Plan Administrator
Johnson Supply and Equipment Corporation Employee Stock Ownership Plan
Houston, Texas

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2023 Financial Statements

We have performed an audit of the financial statements of Johnson Supply and Equipment Corporation Employee Stock Ownership Plan (the Plan), an employee benefit plan subject to the *Employee Retirement Income Security Act of 1974* (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of March 31, 2023, 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 (2023 Financial Statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of 2023 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 (qualified institution).

Management has obtained a certification from qualified institutions as of March 31, 2023, and for the year then ended, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion on the 2023 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 2023 Financial Statements section:

- The amounts and disclosures in the accompanying 2023 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 2023 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 for the 2023 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 Auditor's Responsibilities for the Audit of the 2023 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 audit. 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 2023 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 within one year after the date that these financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the 2023 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2023 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 GAAS, we:

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

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

Our 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.

Other Matters

2023 Supplemental Schedules Required by ERISA

The supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the 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 its 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).

Auditor's Report on the 2022 Financial Statements

Predecessor auditors performed an audit of the 2022 financial statements of the Plan. 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, the prior year audit did not extend to any statements or information related to assets held for investment of the Plan that were certified by a qualified institution. Their report dated January 18, 2023, indicated that (a) the amounts and disclosures in the 2022 financial statements, other than those agreed to or derived from the certified investment information, were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America, and (b) the information in the 2022 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). Their report also indicated that the form and content of the 2022 supplemental schedules, other than the information in the 2022 supplemental schedules that agreed to or is derived from the certified investment information, were presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA; and the information in the 2022 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 determines meets the requirements of ERISA Section 103(a)(3)(C).

FORVIS, LLP

Houston, Texas
January 16, 2024

Federal Employer Identification Number: 44-0160260

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Statements of Net Assets Available for Benefits

March 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Noninterest-Bearing Cash	\$ 55,814	\$ 14,345
Investments		
Investments, at fair value	4,334,618	4,985,927
Investments, at contract value	398,236	-
Common stock of Johnson Supply and Equipment Corporation, 50,056 and 41,446 shares at March 31, 2023 and 2022, respectively	<u>11,357,706</u>	<u>8,910,890</u>
Total investments	<u>16,090,560</u>	<u>13,896,817</u>
Receivables		
Employer contributions	2,100,000	1,983,000
Notes receivable from participants	<u>58,238</u>	<u>65,171</u>
Total receivables	<u>2,158,238</u>	<u>2,048,171</u>
Total assets	<u>18,304,612</u>	<u>15,959,333</u>
Liabilities		
Accrued Expenses	5,269	1,172
Excess Contributions Payable	<u>42,164</u>	<u>25,117</u>
Total liabilities	<u>47,433</u>	<u>26,289</u>
Net Assets Available for Benefits	<u>\$ 18,257,179</u>	<u>\$ 15,933,044</u>

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Statement of Changes in Net Assets Available for Benefits

Year Ended March 31, 2023

Additions

Investment Income (Loss)

Net appreciation (depreciation) in fair value of investments:	
Participant-directed	\$ (384,693)
Nonparticipant-directed	595,666
Net appreciation in contract value of investments,	
participant-directed	5,319
Interest	785
Dividends	84,783
Net investment income	301,860

Interest Income on Notes Receivable From Participants

2,826

Contributions

Participants	268,657
Employer	2,500,000
Total contributions	2,768,657
Total additions	3,073,343

Deductions

Benefits paid to participants	748,175
Administrative expenses	1,033
Total deductions	749,208

Net Increase 2,324,135

Net Assets Available for Benefits, Beginning of Year

15,933,044

Net Assets Available for Benefits, End of Year

\$ 18,257,179

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

Note 1: Description of the Plan

The following description of Johnson Supply and Equipment Corporation Employee Stock Ownership Plan (the Plan) provides only general information. Participants should refer to the *Plan Document* or *Summary Plan Description* for a more complete description of the Plan's provisions.

General

Johnson Supply and Equipment Corporation (the Company) established the Plan effective as of October 1, 1988 (and most recently restated April 1, 2022), is a defined contribution plan that provides retirement, death, and disability benefits limited to each participant's vested interest in the participant's Plan account. The Plan covers eligible employees of the Company. The Plan, as amended, incorporates a 401(k) component allowing an eligible employee to participate in the elective deferral portion of the Plan upon completing a full calendar month of uninterrupted continuous service. An employee is eligible to participate in the non-elective portion of the Plan upon completing one year of service and attaining the age of 21. A year of service is defined as completing 1,000 hours in a 12-consecutive month computation period. The Plan is subject to the provisions of the *Employee Retirement Income Security Act of 1974*, as amended (ERISA).

The Plan is administered by a committee (the Committee or Plan Trustee), which is appointed by the Company's Board of Directors. The Committee serves as the Plan's trustee and is responsible for the management and control of the Plan's assets. The investment custodian effective November 1, 2022, for participant-directed investments is Principal Trust Company (Principal) and the former custodian through October 31, 2022, was Charles Schwab Trust Bank (Charles Schwab). The nonparticipant-directed investment (i.e., Company common stock and related cash account) is overseen by the Company. The Plan's recordkeeper function effective November 1, 2022, for participant-directed investments is Principal, and the former recordkeeper through October 31, 2022, was Definiti, LLC (formerly known as Retirement Horizons, Inc).

Contributions

Upon becoming eligible to participate in the Plan, participants may contribute up to 100% of their compensation during any plan year on a pretax basis, subject to a maximum imposed by the Internal Revenue Code (IRC). Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover contributions). Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions subject to a maximum of imposed by the IRC.

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

In accordance with the *Plan Document*, employer contributions to the Plan are made at the discretion of the Company's Board of Directors. The Company may make employer discretionary matching and non-elective contributions. The employer non-elective contributions are allocated to participants based on eligible compensation and age (known as allocation points) during each Plan year. The participant must be employed on the last day of the Plan year in order to receive the non-elective contribution. The Company elected to make employer non-elective contributions of \$2,500,000 to the Plan for the year ended March 31, 2023. The Company did not elect to make an employer discretionary matching contribution for the years ended March 31, 2023.

Participant Investment Account Options

Investment account options available included mutual funds, a money market fund (prior to November 1, 2022), and the Company's common stock. Each participant had the option of directing their contributions into any of the various investment options offered by the Plan and may change the allocation daily.

Participant Accounts

Each participant's account was credited with the participant's contributions, as well as allocations of (a) the employer's contributions, (b) Plan earnings less Plan expenses, and (c) forfeitures of terminated participants' nonvested accounts. Allocation of Plan earnings are based on the participant's account balance, while employer non-elective contributions and forfeitures are allocated based upon a participant's allocations points to total allocation points, as defined in the *Plan Document*. Participants are able to self-direct their participant contributions, related employer matching contributions and earnings thereon in various funds offered by the Plan. Participants are prohibited from self-directing employer non-elective contributions, which are invested in Company common stock.

Vesting

Participants were immediately vested in their participant contributions plus actual earnings thereon. Vesting in the Plan's discretionary employer matching contributions and non-elective contributions is graduated over six years of service, with 20 percent vesting after two years of service and an additional 20 percent for each year thereafter until fully vested. In addition, a participant is fully vested in their Plan account balance upon normal retirement (i.e., attainment of age 65) or retirement due to disability or death.

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

Put Option

At the discretion of the participants, distributions can be made in the form of Company stock, cash, or in any combination thereof. Company stock is not currently tradable or publicly traded. If, at the time of distribution, shares are not tradable in an established market, the participant or their beneficiary (the Distributee) has the right to require the Company to purchase the distributed stock for the fair value as defined by the *Plan Document*. Additionally, if the shares are not publicly traded and the Distributee receives a bona fide offer from a third party to purchase all or any part of the distributed shares, the Distributee must offer the right of first refusal to the Company and then to the Plan's trust.

The right of first refusal entitles the Company or the Plan's trust to purchase the shares for the amount of the bona fide offer or for an amount as determined by the applicable law, which is greater. Neither the Company nor the Plan's trust is required to exercise the right of first refusal.

Notes Receivable From Participants

Participants may borrow from the vested portion of their participant-directed account balance a minimum of \$1,000 up to the lesser of \$50,000 or 50 percent of their vested participant-directed account balance. The notes were secured by the balance in the participant's account. The notes bear an interest rate of one percent plus the prime rate at the date the note is originated which is fixed for the term of the loan. Note terms are typically not to exceed five years, unless the note is used to purchase a principal residence. Principal and interest are paid ratably through payroll deductions. The recordkeeper charges the participant a fee for the note origination. A participant's note balance becomes immediately due and payable upon termination of employment.

Payment of Benefits

Distributions from the Plan generally will be made to participants in either a lump sum or substantially equal installment payments. Distributions on account of retirement, disability, death or other terminations of employment generally commence no later than one year after the end of the Plan year in which retirement, disability, or death occurs. Distributions of Company common stock generally occur in installments as defined by the *Plan Document*, not to exceed six years. In addition, the Plan permits in-service withdrawals from a participant's vested portion of their participant-directed deferred contribution account at age 59 ½ or in the event the participant incurs a substantial financial hardship as defined by the *Plan Document*.

Voting Rights

Under certain conditions, each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Company prior to the time that such rights are to be exercised.

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

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 the Company's 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 six-year period. In each of the first five years, a participant may diversify up to 25 percent of is or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50 percent.

Forfeited Accounts

In the event a participant incurs a break in service as defined by the *Plan Document*, the nonvested portion of the participant's account is forfeited. Such forfeitures may be restored by the Company if the participant resumes employment with the Company within five years, may be used to pay Plan expenses or may be reallocated to the remaining participants. At March 31, 2023 and 2022, there were no forfeited nonvested amounts. For the years ended March 31, 2023 and 2022, the amount of forfeitures reallocated to eligible participants was \$1,185 and \$11,281, respectively. No forfeitures were used to pay Plan expenses.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America (U.S. GAAP).

Investment held by a defined contribution plan are required to be reported fair value, except for the fully-benefit responsive interest contract. Contract value is the relevant measure for the portion of net assets available for benefits attributable to fully benefit-responsive interest contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets and changes in net assets and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates and could be material to the Plan's financial statements. The most significant of these estimates is the independent valuation of the fair value of the Company common stock.

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

Investment Valuation and Income Recognition

Investments are reported at fair value (except for the fully benefit-responsive investment contract, which is report at contract value). Quoted market prices, if available, are used to value investments. The Plan's Committee determines the Plan's valuation policies utilizing information provided by the investment advisors and custodian. See Note 6 for a discussion of fair value measurements.

The guaranteed interest contract is report at contract value, which represents contributions made under the contract, plus interest at the contract rate, less participant withdrawals and administrative expenses.

The Plan's participant-directed investments are held in various mutual funds and a money market fund (until November 1, 2022). 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 (depreciation) in fair value and contract value of participant-directed investment includes the Plan's gains and losses on investments bought and sold as well as held during the year.

The Plan's nonparticipant-directed investment consists of common stock of the Company, which has been recorded on estimated fair value as determined by the annual independent appraisal. Purchases and sales of the common stock of the Company are recorded on a trade-date basis. Net appreciation in fair value of nonparticipant-directed investment includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable From Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. Delinquent notes receivables from participants are recorded as distributions based upon terms of the *Plan Document*.

Excess Contributions Payable

Amounts payable to participants for contributions in excess of amounts allowed by the Internal Revenue Service (IRS) are recorded as a liability with corresponding reduction to contributions. The Plan distributed the 2022 and 2023 excess contributions to the applicable participants prior to June 15, 2022 and 2023, respectively.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

Administrative Expenses

Certain administrative expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company at the Company's discretion, as provided by the *Plan Document*. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants and other participant-directed expenses are charged directly to the participant's account and included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) of fair value and contract value of investments.

Note 3: Certification of Plan Custodian

The Plan Administrator has elected the method of annual reporting compliance permitted by 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. Accordingly, Principal and Charles Schwab, qualified institutions, have certified the following information included in the accompanying financial statements are complete and accurate:

- Investments, at fair value and contract value and participant-directed notes receivables from participants as shown in the statements of net assets available for benefits as of March 31, 2023 and 2022.
- Net appreciation (depreciation) in fair value of investments (participant-directed) and interest income on participant-directed notes receivables from participants shown in the statement of changes in net assets available for benefits for the year ended March 31, 2023.
- Net appreciation in contract value of investments shown in the statement of changes in net assets available for benefits for the year ended March 31, 2023.
- Interest and dividends shown in the statement of net assets available for benefits for the year ended March 31, 2023.

The Plan's independent auditors did not perform auditing procedures with respect to this certified investment information, except for comparing such certified investment information to the related investment information included in the financial statements and ERISA-required supplemental schedule.

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

Note 4: Related-party and Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such an employer or employee association, or relatives of such persons.

Certain Plan investments are mutual funds and a money market fund (until November 1, 2022) managed by the custodians, or affiliates thereof, of the participant-directed portion of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services were included in net appreciation (depreciation) in fair value and contract value of the related investment, as they were paid through revenue sharing, rather than a direct payment.

The Company directly paid any other fees related to the Plan's operations. The Company was the custodian of the Employee Stock Ownership Plan (ESOP) portion of the Plan. As of March 31, 2023 and 2022, the Plan owed \$0 to the Company for the purchase of common stock credited to participant accounts at year-end.

On March 31, 2023 and 2022, the Plan held 50,056 and 41,446 shares of Johnson Supply and Equipment Corporation common stock with appraised values of \$226.90 and \$215 per share, or \$11,357,706 and \$8,910,890, in the aggregate, respectively. The cost of the Company's common stock was \$7,866,023 and \$6,014,873, as of March 31, 2023 and 2022, respectively. No dividends were paid during the years ended March 31, 2023 and 2022. These are related-party transactions.

The Plan had a number of service providers, such providers are parties-in-interest under ERISA. The Plan paid \$1,033 of recordkeeping fees to Principal and Charles Schwab for the Plan during 2023, respectively. The Company provided certain administrative services at no cost to the Plan.

Note 5: Net Assets by Participant and Nonparticipant-directed Investments

Information about the net assets and the significant components of the changes in net assets relating to the participant and nonparticipant-directed investments is as follows.

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

	Nonparticipant- directed Funds	Participant- directed Funds	Total
Additions:			
Investment Income (Loss):			
Net appreciation (depreciation) in fair value of investments	\$ 595,666	\$ (384,693)	\$ 210,973
Net appreciation in contract value of investments	-	5,319	5,319
Interest	-	785	785
Dividends	-	84,783	84,783
	<u>595,666</u>	<u>(293,806)</u>	<u>301,860</u>
Net investment income (loss)			
	<u>595,666</u>	<u>(293,806)</u>	<u>301,860</u>
Interest income on notes receivable from participants	<u>-</u>	<u>2,826</u>	<u>2,826</u>
Contributions:			
Participants	-	268,657	268,657
Employer	2,500,000	-	2,500,000
	<u>2,500,000</u>	<u>268,657</u>	<u>2,768,657</u>
Total contributions			
	<u>2,500,000</u>	<u>268,657</u>	<u>2,768,657</u>
Total additions (reductions)	<u>3,095,666</u>	<u>(22,323)</u>	<u>3,073,343</u>
Deductions:			
Benefits paid to participants	524,516	223,659	748,175
Administrative expenses	-	1,033	1,033
	<u>524,516</u>	<u>224,692</u>	<u>749,208</u>
Total deductions			
	<u>524,516</u>	<u>224,692</u>	<u>749,208</u>
Net increase (decrease)	2,571,150	(247,015)	2,324,135
Net assets available for benefits, beginning of year	<u>10,896,109</u>	<u>5,036,935</u>	<u>15,933,044</u>
Net assets available for benefits, end of year	<u>\$ 13,467,259</u>	<u>\$ 4,789,920</u>	<u>\$ 18,257,179</u>

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

Note 6: Disclosures About Fair Value of Plan Assets and Liabilities

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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities.
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

Recurring Measurements

The following table presents the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at March 31, 2023 and 2022:

Fair Value Measurements Using				
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Fair Value			
March 31, 2023:				
Mutual funds	\$ 4,334,618	\$ 4,334,618	\$ -	\$ -
Company's common stock	11,357,706	-	-	11,357,706
Total investments at fair value	<u>\$ 15,692,324</u>	<u>\$ 4,334,618</u>	<u>\$ 0</u>	<u>\$ 11,357,706</u>

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

Fair Value Measurements Using				
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
March 31, 2022:				
Mutual funds	\$ 4,884,044	\$ 4,884,044	\$ -	\$ -
Money market fund	101,883	101,883	-	-
Company's common stock	8,910,890	-	-	8,910,890
Total investments at fair value	\$ 13,896,817	\$ 4,985,927	\$ 0	\$ 8,910,890

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the years ended March 31, 2023 and 2022. The Plan had no liabilities measured at fair value on a recurring basis. In addition, the Plan had no assets or liabilities measured at fair value on a nonrecurring basis.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 investments include mutual funds and a money market fund (until November 1, 2022). If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Plan had no Level 2 investments at March 31, 2023 and 2022. See the table below for inputs and valuation techniques used for Level 3 securities.

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

Level 3 Activity

The table below sets forth a summary of certain changes in the fair value of the Plan's level assets (Company common stock) and of March 31:

	<u>2023</u>	<u>2022</u>
Purchase of Company common stock	\$ 1,851,150	\$ 150,160

There were no sales, issuances or transfers in or out for the years ended March 31, 2023 and 2022.

Note 7: Guaranteed Interest Contract

The Plan has entered into a fully benefit-responsive interest contract with Principal, which maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed interest contract (GIC) issuer is contractually obligated to repay the principal and a specified interest rate guaranteed to the Plan.

The GIC is fully benefit responsive, therefore, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the GIC. Contract value, as reported to the Plan by Principal, represents contributions made under the contract, plus interest at the contract rate, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against the contract value for credit risk of the contract issuer or otherwise.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Partnership or other Partnership events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Plan Administrator does not believe the occurrence of any such value event, which would limit the Plan's ability to transact at contract value with participants, is probable.

The GIC does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

Note 8: Tax Status

The IRS had determined and informed the Company by a letter dated November 2, 2017, that the Plan and related trust, as then designed, was in compliance with applicable sections of the IRC and therefore not subject to tax. The Plan has been amended since receiving the determination letter, however, the Plan Administrator believed that the Plan and related trust were currently designed and being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified, and the related trust is tax-exempt as of the financial statement date.

Note 9: Plan Termination

Although it has not expressed any intent to do so, the Company's Board of Directors has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 % vested in their accounts and all assets remaining in the Plan will be paid to the participants and their beneficiaries in accordance with the *Plan Document*.

Note 10: Risk and Uncertainties

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

The Plan's investment in the Company common stock, which is also exposed to various risks such as the interest rate, market, and credit risks, further considers valuation assumptions based on earnings, cash flows and/or such techniques. Due to the level of risk associated with the investment in the Company common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of the Company common stock will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Note 11: Liabilities

For years ended March 31, 2023 and 2022, the Plan owed \$5,269 and \$1,172, respectively, to various tax jurisdictions for taxes withheld in connection with benefit payments made to certain participants.

Johnson Supply and Equipment Corporation Employee Stock Ownership Plan

Notes to Financial Statements

March 31, 2023 and 2022

Note 12: Nonexempt Transactions

Defined contribution plans are required to remit participant contributions to the Plan as soon as they can be reasonably segregated from the Company's general assets, but no later than the 15th business day of the month following the month in which the participant contributions are withheld by the Company. While the Company remitted all participant contributions to the Plan, contributions of \$2,473 were not remitted within the required time period for the year ended March 31, 2023.

Note 13: Subsequent Events

Subsequent events have been evaluated through January 16, 2024, which is the date the financial statements were available to be issued.

Supplemental Schedules

Johnson Supply and Equipment Employee Stock Ownership Plan

EIN 74-1989212 PN 002

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions

March 31, 2023

Participant Contributions Transferred Late to Plan		Total that Constitute Nonexempt Prohibited Transactions	
\$	2,473	\$	2,473

Johnson Supply and Equipment Employee Stock Ownership Plan

EIN 74-1989212 PN 002

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

March 31, 2023

(a)(b) Identity of Issuer	(c) Description of Investment	(e) Current Value**
<u>Mutual Funds</u>		
Dodge & Cox Income Fund	28,930 shares	\$ 360,469
Templeton Global Bond Fund/United States	1,664 shares	13,181
Vanguard Inflation-Protected Securities Fund	495 shares	11,819
American Funds Fundamental Investors Fund	215 shares	13,668
AMG Yacktman Fund	15,253 shares	330,680
BlackRock Global Allocation Fund Inc	211 shares	3,636
Dodge & Cox Stock Fund Inc	626 shares	135,423
First Eagle Global Fund	2,878 shares	177,870
Nicholas Equity Income Fund Inc	577 shares	11,443
Royce Premier Fund	10,022 shares	112,146
T Rowe Price Growth Stock Fund Inc	2,796 shares	200,454
Vanguard 500 Index Fund	801 shares	303,448
Vanguard Real Estate Index Fund	349 shares	41,056
Vanguard Total Stock Market Index Fund	13 shares	1,262
EuroPacific Growth Fund	1,657 shares	89,242
Invesco Developing Markets Fund	953 shares	37,049
Vanguard Developed Markets Index Fund	5,250 shares	76,175
Permanent Portfolio Fund	2,175 shares	103,393
T Rowe Price Capital Appreciation Fund	967 shares	30,571
Vanguard Target Retirement 2020 Fund	13,602 shares	361,411
Vanguard Target Retirement 2025 Fund	9 shares	150
Vanguard Target Retirement 2030 Fund	41,591 shares	1,378,751
Vanguard Target Retirement 2035 Fund	2,997 shares	61,447
Vanguard Target Retirement 2040 Fund	11,437 shares	412,990
Vanguard Target Retirement 2050 Fund	845 shares	34,044
Vanguard Target Retirement 2060 Fund	665 shares	27,542
Vanguard Target Retirement 2065 Fund	5 shares	123
Vanguard Wellesley Income Fund	87 shares	5,175
<u>Guaranteed Interest Contract</u>		
* Principal Fixed Income Guaranteed Option Fund	38,715 shares	398,236
<u>Company's Common Stock</u>		
* Johnson Supply and Equipment Corporation (cost \$7,866,023)	50,056 shares	11,357,706
<u>Participant Loans</u>		
Interest rates at 4.25% to		
* Participant loans	8.50%	58,238
		<u>\$ 16,148,798</u>

* Party-in-interest as defined by ERISA.

** Column (d) cost information is not presented because all investments are participant-directed, with the exception of the Company's common stock.

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

J S E C E

EIN 74 1989212
 PLAN NUMBER 002
 PLAN YEAR 04/01/2022 TO 03/31/2023

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
	The American Funds	Registered Investment Company AM FDS EUROPACIFIC GRTH R6 FD	\$ 0.00	\$ 89,242.48
	The American Funds	Registered Investment Company AM FDS FNDMTL INV R6 FUND	\$ 0.00	\$ 13,665.30
	AMG Funds	Registered Investment Company AMG YACKTMAN I FUND	\$ 0.00	\$ 330,679.81
	BlackRock	Registered Investment Company BLACKROCK GLOBAL ALLOC K FD	\$ 0.00	\$ 3,636.47
	PNC Bank	Non Interest Bearing Cash Cash - Non Interest Bearing Cash Employer Security	\$ 0.00	\$ 55,813.57
		Common - Employer Security	\$ 0.00	\$ 11,357,706.40
	Dodge and Cox Funds	Registered Investment Company DODGE & COX INCOME I FUND	\$ 0.00	\$ 360,469.25
	Dodge and Cox Funds	Registered Investment Company DODGE & COX STOCK I FUND	\$ 0.00	\$ 135,424.74
	First Eagle	Registered Investment Company FIRST EAGLE GLOBAL R6 FUND	\$ 0.00	\$ 177,870.85
	Oppenheimer	Registered Investment Company INV DEV MARK R6 FD	\$ 0.00	\$ 37,049.82
	Nicholas Company, Inc.	Registered Investment Company NICHOLAS EQUITY INCOME I FUND	\$ 0.00	\$ 11,442.90
	Permanent Portfolio	Registered Investment Company PERMANENT PORTFOLIO FUND	\$ 0.00	\$ 103,379.03
*	Principal Life Insurance Company	Insurance Company General PRIN FIXED INC GUAR OPTION	\$ 0.00	\$ 398,236.30
	The Royce Funds	Registered Investment Company ROYCE PREMIER INSTL FUND	\$ 0.00	\$ 112,146.17
	T. Rowe Price Funds	Registered Investment Company T. ROWE PRICE CAP APP I FD	\$ 0.00	\$ 30,571.60

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

J S E C E

EIN 74 1989212
PLAN NUMBER 002
PLAN YEAR 04/01/2022 TO 03/31/2023

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
	T. Rowe Price Funds	Registered Investment Company T. ROWE PRICE GRTH STK I FND	\$ 0.00	\$ 200,455.27
	Transfer Business	Registered Investment Company Transfer Business	\$ 0.00	\$ 3,121,823.46
	Transfer Business	Employer Security Transfer Business	\$ 0.00	\$ 4,794,968.29
	Franklin Templeton Investments	Registered Investment Company TEMPLETON GLOBAL BOND R6 FUND	\$ 0.00	\$ 13,181.43
	Vanguard Group	Registered Investment Company VANGUARD DEV MKTS INDEX ADM FD	\$ 0.00	\$ 76,175.17
	Vanguard Group	Registered Investment Company VANGUARD RE INDEX ADM FUND	\$ 0.00	\$ 41,057.64
	Vanguard Group	Registered Investment Company VANGUARD TGT RMT 2020 INV FUND	\$ 0.00	\$ 361,411.67
	Vanguard Group	Registered Investment Company VANGUARD TGT RMT 2025 INV FUND	\$ 0.00	\$ 150.31
	Vanguard Group	Registered Investment Company VANGUARD TGT RMT 2030 INV FUND	\$ 0.00	\$ 1,378,750.69
	Vanguard Group	Registered Investment Company VANGUARD TGT RMT 2035 INV FUND	\$ 0.00	\$ 61,446.93
	Vanguard Group	Registered Investment Company VANGUARD TGT RMT 2040 INV FUND	\$ 0.00	\$ 412,990.75
	Vanguard Group	Registered Investment Company VANGUARD TGT RMT 2050 INV FUND	\$ 0.00	\$ 34,044.69
	Vanguard Group	Registered Investment Company VANGUARD TGT RMT 2060 INV FUND	\$ 0.00	\$ 27,542.79
	Vanguard Group	Registered Investment Company VANGUARD TGT RMT 2065 INV FUND	\$ 0.00	\$ 123.04
	Vanguard Group	Registered Investment Company VANGUARD TL STK MKT IDX ADM FD	\$ 0.00	\$ 1,262.96

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

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EIN 74 1989212
PLAN NUMBER 002
PLAN YEAR 04/01/2022 TO 03/31/2023

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
	Vanguard Group	Registered Investment Company VANGUARD WELLESLEY INC ADM FD	\$ 0.00	\$ 5,175.10
	Vanguard Group	Registered Investment Company VANGUARD 500 INDEX ADMIRAL FD	\$ 0.00	\$ 303,452.67
	Vanguard Group	Registered Investment Company VGD INFL-PROT SEC ADM FUND	\$ 0.00	\$ 11,818.81
*	Participant Loans	Range of Interest Rates Rates Range From 4.25% To 8.50%	\$ 0.00	\$ 58,238.00

