

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 07/01/2022 and ending 06/30/2023	
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 EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN (ESOP PORTION)	1b	Three-digit plan number (PN) ▶ 002
		1c	Effective date of plan 07/01/1992
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) EXPERIMENTAL PATHOLOGY LABORATORIES, INC P. O. BOX 169 STERLING, VA 20167-0169	2b	Employer Identification Number (EIN) 54-0891017
		2c	Plan Sponsor's telephone number 703-471-7060
		2d	Business code (see instructions) 621510

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.	04/10/2024	RICHARD CASTRO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	04/10/2024	RICHARD CASTRO
	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		5 163
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) 125
a(2) Total number of active participants at the end of the plan year		6a(2) 115
b Retired or separated participants receiving benefits		6b 22
c Other retired or separated participants entitled to future benefits.....		6c 35
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 172
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 0
f Total. Add lines 6d and 6e		6f 172
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 149
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 6
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 2K 2O 2Q 3I		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE 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 07/01/2022 and ending 06/30/2023		
A Name of plan EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN (ESOP PORTION)	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 EXPERIMENTAL PATHOLOGY LABORATORIES, INC	D Employer Identification Number (EIN) 54-0891017	

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	3340	6500
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	22455651	26924585
(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	22458991	26931085

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	22458991	26931085
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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)	1586159	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1586159
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	4468934	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		4468934

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		6055093
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1570066	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)	12873	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1582939
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	60	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		60
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1582999
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		4472094
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: THOMPSON GREENSPON

(2) EIN: 54-1029635

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		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	
4e		X	
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		1000000
4f	X		1000000
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 07/01/2022 and ending 06/30/2023		
A Name of plan EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN (ESOP PORTION)		B Three-digit plan number (PN) 002
C Plan sponsor's name as shown on line 2a of Form 5500 EXPERIMENTAL PATHOLOGY LABORATORIES, INC		D Employer Identification Number (EIN) 54-0891017
Part I Distributions		
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 54-0891017 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 0
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 _____



FINANCIAL REPORT

EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN (ESOP PORTION)

YEARS ENDED JUNE 30, 2023 AND 2022

**EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN
(ESOP PORTION)**

**FINANCIAL REPORT
YEARS ENDED JUNE 30, 2023 AND 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Plan Sponsor
EPL Employee Savings and Stock Ownership Plan
Sterling, Virginia

Opinion

We have audited the accompanying financial statements of EPL Employee Savings and Stock Ownership Plan (ESOP Portion), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of June 30, 2023 and 2022, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of EPL Employee Savings and Stock Ownership Plan (ESOP Portion) as of June 30, 2023 and 2022, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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

Auditors' Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards, 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 EPL Employee Savings and Stock Ownership Plan (ESOP Portion)'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 EPL Employee Savings and Stock Ownership Plan (ESOP Portion)'s ability to continue as a going concern for a reasonable period of time.

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

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Form 5500 - Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of June 30, 2023 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards.

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

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

Other Matter – Presentation of Financial Statements

These financial statements are the financial statements of the ESOP Portion only of the EPL Employee Savings and Stock Ownership Plan and do not include the accounts of the 401(k) Portion, as described in Note 1.

Thompson Greenspon

Fairfax, Virginia

April 4, 2024

**EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN
(ESOP PORTION)**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
JUNE 30, 2023 AND 2022**

ASSETS	<u>2023</u>	<u>2022</u>
Cash	<u>\$ 6,500</u>	<u>\$ 3,340</u>
Investments, at fair value		
Experimental Pathology Laboratories, Inc. common stock	<u>26,924,585</u>	<u>22,455,651</u>
Net Assets Available for Benefits	<u><u>\$ 26,931,085</u></u>	<u><u>\$ 22,458,991</u></u>

The Notes to Financial Statements are an integral part of these statements.

**EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN
(ESOP PORTION)**

**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
Additions to Net Assets Attributed to:		
Investment income		
Net appreciation in fair value of investments	\$ 4,468,934	\$ 5,226,473
Interest	-	164
Dividends	-	1,021,139
	<u>4,468,934</u>	<u>6,247,776</u>
Total Investment Income		
Contributions		
Employer - 401(k) matching	287,514	275,036
Employer - discretionary	1,298,645	276,964
	<u>1,586,159</u>	<u>552,000</u>
Total Contributions		
Total Additions	<u>6,055,093</u>	<u>6,799,776</u>
Deductions from Net Assets Attributed to:		
Benefits paid to participants	1,570,066	1,294,228
Diversification transfers out to the 401(k) portion	12,873	278,945
Miscellaneous expenses	60	75
	<u>1,582,999</u>	<u>1,573,248</u>
Total Deductions		
Net Increase	4,472,094	5,226,528
Net Assets Available for Benefits		
Beginning of year	<u>22,458,991</u>	<u>17,232,463</u>
End of year	<u>\$ 26,931,085</u>	<u>\$ 22,458,991</u>

The Notes to Financial Statements are an integral part of these statements.

EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN (ESOP PORTION)

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

1. DESCRIPTION OF PLAN

The following description of EPL Employee Savings and Stock Ownership Plan (the Plan) provides only general information. Refer to the Plan agreement for a more complete description of the Plan's provisions.

Stock Purchase

Agreements were entered into on May 2, 1994 by the Plan, Experimental Pathology Laboratories, Inc. (the Corporation or EPL), and the two 50 percent stockholders of the Corporation, whereby the Plan would purchase 2,750 shares of Corporation stock from each of the stockholders for \$632,500, or \$230 per share. In the opinion of an independent appraiser, the fair market value of the common stock of the Corporation on a control interest basis, as of May 2, 1994, was reasonably stated in the amount of \$2,300,000, or \$230 per share.

The Plan purchased 326 shares with \$74,980 of the discretionary contribution from the Corporation for the year ended June 30, 1993. The Plan borrowed \$1,190,020 from the Corporation to finance the purchase of the remaining 5,174 shares.

On June 26, 1998, the Plan purchased an additional 2,250 shares of common stock at \$176 per share from two former stockholders. The purchase was financed by refinancing and increasing the existing bank loan to \$950,000.

The notes were paid in full in 2005. All ESOP shares have been allocated to participants and there are no unreleased shares.

General

The EPL Employee Savings and Stock Ownership Plan consists of two portions. The first portion is a stock bonus plan (ESOP Portion) effective July 1, 1992, amended and restated July 1, 2011 under Section 401(a) of the Internal Revenue Code of 1986, and an employee stock ownership plan under Section 4975(e)(7) of the Internal Revenue Code (IRC) that is designed to invest primarily in stock of the Corporation and to hold investments of the employer contributions to the 401(k) Portion from its inception. The second portion (401(k) Portion) is a profit sharing plan established in 1982 under Section 401(a) of the IRC that constitutes a cash or deferral arrangement under Section 401(k) of the IRC and contains employee deferrals only. It is subject to the provisions of the Employment Retirement Income Security Act of 1974 (ERISA). The trustees are responsible for oversight of the Plan and determining the appropriateness of the Plan's investment offerings and monitoring investment performance. These financial statements are for the ESOP Portion only.

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the trustees prior to the time that such rights are to be exercised. The trustees are not permitted to vote any share of allocated stock for which instructions have not been given by a participant.

In January 2016, Experimental Pathology Laboratories, Inc. purchased 100 percent of the issued and outstanding common stock of Aclairo Pharmaceutical Development Group, Inc. (Aclairo). The employees of Aclairo were eligible to participate in the Plan effective January 1, 2016 and are vested based upon their vesting with their previous plan.

EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN (ESOP PORTION)

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

1. DESCRIPTION OF PLAN (continued)

Put Option

Under Federal income tax regulations, the employer securities that are held by the Plan and its participants and that are not readily tradable on an established market, or that are subject to trading limitations, include a put option. The put option is a right to demand that the Corporation buy shares of its stock held by the participant for which there is no market. The put price is representative of the current appraised value of the stock. The Corporation can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Contributions

Each employee of the Corporation becomes a participant on the July 1 or January 1 following the completion of 6 months of service and the attainment of age 21. A participant is entitled to share in the allocations of discretionary contributions and forfeitures for each Plan year in which he or she worked at least 1,000 hours and was employed on the last day of the Plan year. Contributions are subject to certain limitations.

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 Corporation stock into investments, which are more diversified. Diversification is offered to each eligible participant over a 6-year period. Each participant in the Plan who has reached the age of 55 with 10 years of participation under the Plan may elect to diversify at least 25 percent of his or her account balance each year, less any shares previously diversified, into at least three investment options other than employer securities or by distributing to the participant in cash the portion of his or her account with respect to which a diversification election is made. Participants may elect to transfer a portion of his or her account into the 401(k) Portion of the Plan. The participant is able to diversify up to 50 percent of his or her account balance in the sixth Plan year of the election period.

Employer Matching Contributions

Employer matching contributions have been made to the ESOP since the Corporation adopted the ESOP in 1992. The trustees may determine the type of investments desirable for the contributions.

The Corporation may make matching contributions, in cash and/or shares of Corporation stock, as determined by management for such Plan year. Amounts of discretionary contributions are determined by management of the Corporation. Discretionary contributions and matching contributions may be used to acquire shares of Corporation stock from any stockholder or from the Corporation. The employer matching contribution for 2023 and 2022 was 50 percent of the first 6 percent of compensation.

Loans

Loans to employees are not permitted under any circumstances.

EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN (ESOP PORTION)

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

1. DESCRIPTION OF PLAN (continued)

Participant Accounts

A Corporation stock account and other investment accounts are maintained to reflect the interest of each participant under the ESOP. A participant's Corporation stock account is credited annually with his or her allocable share of Corporation stock purchased by or contributed to the Trust, forfeitures of stock, and any stock dividends. A participant's other investments account was credited as of July 1, 1992, with their participant's account balance under the 401(k) Profit Sharing Plan. Thereafter, this account is credited annually with a participant's allocable share of discretionary contributions and matching contributions that are not in the form of Corporation stock, with forfeitures from other investment accounts, with cash dividends on Corporation stock, and any net income or loss of the Trust attributable to the ESOP. On each allocation date beginning June 30, 2006, the ESOP accounts of all participants will be reallocated to ensure that each participant has the same proportion of his or her total benefits invested in the form of Corporation stock. This reallocation will not affect the value of the participants' accounts, but may alter the form in which the accounts are invested.

Discretionary contributions and forfeitures are allocated in the ratio that the participant's compensation bears to the total compensation of all participants.

Vesting

Vesting in the Corporation's discretionary and matching contributions plus actual earnings thereon is based on years of continuous service. A participant is 100 percent vested after six years of credited service, death or disability.

Payment of Benefits

In the event of a participant's retirement, on or after his or her normal retirement date, disability or death, distribution of his or her account balance under the ESOP shall commence prior to the allocation date of the Plan year following the Plan year in which the event occurs. On termination of service, distribution of a participant's account balance shall commence prior to the allocation date of the sixth Plan year following the Plan year in which their service terminates. As an alternative mode of distribution of a participant's account balance under the ESOP, the trustees may elect to make the distribution in a single lump sum or in substantially equal, annual installments over a period not exceeding five years.

If the participant's vested Corporation Stock Account balance exceeds a maximum amount as defined by the IRS, the number of substantially equal annual payments chosen above may be extended one additional year (up to five additional years) for an incremental amount (as defined by the IRS) or fraction thereof by which the participant's vested Corporation Stock Account balance exceeds the maximum as of the valuation date (these dollar amounts shall be subject to cost of living arrangements prescribed by the Secretary of the Treasury); but in no event shall such payments extend beyond the life expectancy of the participant or the joint life expectancy of the participant and his or her designated beneficiary. The maximum balance subject to a five-year distribution was \$1,330,000 in 2023 and \$1,230,000 in 2022. The increments for the additional year were \$265,000 in 2023 and \$245,000 in 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies used in the financial statements conform to United States generally accepted accounting principles. The significant policies are summarized below.

Basis of Accounting

The financial statements of the Plan are prepared under the accrual basis of accounting.

EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN (ESOP PORTION)

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Statement Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

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

Payment of Benefits

Benefit claims are recorded as expenses when they have been approved for payment and paid by the Plan.

Income Taxes

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Corporation has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. The Plan is not currently under audit by any income tax jurisdiction.

Subsequent Events

The Plan has evaluated subsequent events through April 4, 2024, the date the financial statements were available to be issued.

3. ADMINISTRATION OF PLAN ASSETS

The Plan's shares of Experimental Pathology Laboratories, Inc. common stock (Corporation common stock) are held by the trustees of the Plan. The other investments are directed by the trustees.

Employer contributions are held and managed by the trustees, who invest cash received and make distributions to participants.

Certain administrative functions are performed by officers or employees of the Corporation for which no compensation is paid by the Plan. Administrative expenses for the annual appraisals of the Corporation's stock are paid directly by the Corporation.

EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN (ESOP PORTION)

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

4. INVESTMENTS

Information about the Plan's investment in Corporation common stock at June 30 is as follows:

	2023	2022
Number of Shares	7,555	7,555
Cost	\$ 1,616,552	\$ 1,616,552
Fair Value	\$ 26,924,585	\$ 22,455,651
Fair Value Per Share	\$ 3,563.81	\$ 2,972.29

All shares have been allocated. The Corporation paid dividends of \$-0- and \$1,021,139 during the years ended June 30, 2023 and 2022, respectively.

5. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value focuses on the price that would be received to sell the asset or paid to transfer the liability regardless of whether an observable liquid market price existed (an exit price). The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

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

Level 2 – inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement. Level 3 assets and liabilities measured at fair value are based on one or more of three valuation techniques (market, cost, or income approach). The market approach evaluates prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The cost approach evaluates the amount that would be required to replace the service capacity of an asset (i.e., replacement cost). The income approach uses techniques that convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing models, and lattice models).

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023 and 2022.

EPL common stock: The value of the Corporation common stock held by the Plan is valued at fair value based upon an independent appraisal.

EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN (ESOP PORTION)

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

5. FAIR VALUE MEASUREMENTS (continued)

Management evaluates securities for other-than-temporary impairment on at least an annual basis, and more frequently when economic or market concerns warrant such evaluation. Consideration is given to 1) the length of time and the extent to which the fair value has been less than cost, 2) the financial condition and near-term prospects of the issuer, and 3) the intent and ability of the Plan to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30:

		2023			
		Level 1	Level 2	Level 3	Total
EPL common stock	\$	-	-	\$ 26,924,585	\$ 26,924,585

		2022			
		Level 1	Level 2	Level 3	Total
EPL common stock	\$	-	-	\$ 22,455,651	\$ 22,455,651

Level 3 Gains and Losses

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended June 30:

		2023	2022
		EPL	EPL
		Common Stock	Common Stock
Balance, beginning of year		\$ 22,455,651	\$ 17,229,178
Unrealized gains relating to instruments still held at the reporting date		4,468,934	5,226,473
Balance, end of year		\$ 26,924,585	\$ 22,455,651

Gains and losses (realized and unrealized) included in changes in net assets for the periods above are reported in net appreciation in fair value of investments in the statements of changes in net assets available for benefits.

The value of the Corporation common stock held by the Plan is valued at fair value based upon an independent appraisal. The June 30, 2023 and 2022 appraisals were based upon a combination of the market and income valuation techniques.

The valuation process involves Plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the audited financial statements of the Corporation. The appraiser prepares a preliminary report which Plan management, along with the ESOP trustees, reviews in detail, discusses and approves.

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

EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN (ESOP PORTION)

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

6. FORFEITURES AND REPURCHASE OF CORPORATE STOCK

At June 30, 2023, forfeited non-vested accounts totaled \$1,453 in cash and 0.408 shares of EPL, Inc. common stock. At June 30, 2022, forfeited non-vested accounts totaled \$13 in cash and 0.004 shares of EPL, Inc. common stock. All forfeitures are reallocated to the accounts of remaining participants as of the allocation date of the Plan year in which a five-consecutive-year break in service occurred.

7. PLAN TERMINATION

Although it has not expressed any intent to do so, the Corporation 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 who are currently employed will become 100 percent vested in their accounts.

8. TAX STATUS

The Plan obtained its latest determination letter on October 17, 2013, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the determination letter. The Plan administrator believes that the Plan is designed and is currently 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.

9. RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks, as well as valuation assumptions based on earnings, cash flows and/or other such techniques. 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 participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

10. RELATED PARTY TRANSACTIONS AND PARTY-IN-INTEREST TRANSACTIONS

As described in Note 3, the Plan's assets, which consist principally of sponsor Corporation common shares, are held by the trustees of the Plan. These are related party and party-in-interest transactions.

During the years ended June 30, 2023 and 2022, the Plan recorded dividend income of \$-0- and \$1,021,139, respectively, from Corporation common stock.

SUPPLEMENTARY INFORMATION

**EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN
(ESOP PORTION)**

EIN 54-0891017

FORM 5500 - SCHEDULE H, LINE 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

YEAR ENDED JUNE 30, 2023

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment, including maturity date, rate of interest, collateral, par or maturity value	Cost ^	Current Value
	Employer - Related Investment			
*	Experimental Pathology Laboratories, Inc.	7,555 shares of Corporation common stock	<u>\$ 1,616,552</u>	<u>\$ 26,924,585</u>

^ Cost information may be omitted with respect to participant-directed transactions under an individual account plan.

* Parties-in-interest.

**EPL EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN
(ESOP PORTION)**

EIN 54-0891017

FORM 5500 - SCHEDULE H, LINE 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
YEAR ENDED JUNE 30, 2023

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment, including maturity date, rate of interest, collateral, par or maturity value	Cost ^	Current Value
	Employer - Related Investment			
*	Experimental Pathology Laboratories, Inc.	7,555 shares of Corporation common stock	<u>\$ 1,616,552</u>	<u>\$ 26,924,585</u>

^ Cost information may be omitted with respect to participant-directed transactions under an individual account plan.

* Parties-in-interest.