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

Part I Annual Report Identification Information

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [X] 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:
- [X] 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
BLUFOX MOBILE SERVICES 1, INC. EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2021

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)
BLUFOX MOBILE SERVICES 1, INC.

998C OLD COUNTRY ROAD
SUITE 332
PLAINVIEW, NY 11803

2b Employer Identification Number (EIN)
35-2617011

2c Plan Sponsor's telephone number
516-502-9064

2d Business code (see instructions)
443142

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.	05/08/2024	AVNI PATEL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address [X] 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**	256
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)**	109
a(2) Total number of active participants at the end of the plan year	**6a(2)**	109
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	146
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	255
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**	**6f**	255
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	255
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	146
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:
2P 2Q

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	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)	[X]	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)	[X]	**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)	[X]	**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 01/01/2022 and ending 12/31/2022

A Name of plan
BLUFOX MOBILE SERVICES 1, INC. EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
BLUFOX MOBILE SERVICES 1, INC.

D Employer Identification Number (EIN)
35-2617011

Part I Asset and Liability Statement

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

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

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	14063951	13751250
(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	14063951	13751250
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i	48500000	45335142
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	48500000	45335142
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	-34436049	-31583892

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)	1508760	
(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)		1508760
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)	1015126	
(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)		1015126
(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)	1290000	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		1290000

		(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		3813886
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)		
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		961729
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		961729
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		2852157
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) [X] 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)** [X] 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: MAYER HOFFMAN MCCANN CPAS **(2)** EIN: 43-1947695

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:

		Yes	No	Amount
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.)	4a		X	

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

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

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

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2022

This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan
BLUFOX MOBILE SERVICES 1, INC. EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
BLUFOX MOBILE SERVICES 1, INC.

D Employer Identification Number (EIN)
35-2617011

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): _____ _____

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... | **3** |

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... | **6a** |

b Enter the amount contributed by the employer to the plan for this plan year ..... | **6b** |

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... | **6c** |

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☒ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☒ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☒ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☒ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ 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_____

BLUFOX MOBILE SERVICES 1, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Financial Statements and Supplemental Schedule
(Together with Independent Auditors' Report)

December 31, 2022

BLUFOX MOBILE SERVICES 1, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
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DECEMBER 31, 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
Blufox Mobile Services 1, Inc. Employee Stock Ownership Plan

Opinion on 2022 Financial Statements

We have audited the financial statements of Blufox Mobile Services 1, Inc. Employee Stock Ownership Plan ("the Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), which comprise the statement of net assets available for benefits as of December 31, 2022, the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion on 2022 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 2022 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 audit opinion.

Responsibilities of Management for the 2022 Financial Statements

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

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

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

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KRESTON GLOBAL

Auditors' Responsibilities for the Audit of the 2022 Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Other Matter - Supplemental Schedule Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2022, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

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

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

Other Matter - Report on Compiled 2021 Financial Statement

Plan management is responsible for the accompanying financial statement of the Plan, which comprises the statement of net assets available for benefits as of December 31, 2021 and the related notes to the financial statement in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the 2021 financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by plan management. Accordingly, we do not express an opinion, a conclusion, or provide any form of assurance on the 2021 financial statement.



New York, NY
May 2, 2024

BLUFOX MOBILE SERVICES 1, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2022 (Audited) AND 2021 (Compiled)

	2022			2021 (Compiled)		
	ALLOCATED	UNALLOCATED	TOTAL	ALLOCATED	UNALLOCATED	TOTAL
ASSETS						
Investments at fair value (Notes 3 and 4)						
Sponsor company common stock	$ 1,042,483	$ 12,708,767	$ 13,751,250	$ -	$ 12,461,250	$ 12,461,250
Employer contribution receivable	-	-	-	388,619	1,214,082	1,602,701
Total assets	1,042,483	12,708,767	13,751,250	388,619	13,675,332	14,063,951
LIABILITIES						
Note payable - Sponsor company	-	45,335,143	45,335,143	-	48,500,000	48,500,000
Total Liabilities	-	45,335,143	45,335,143	-	48,500,000	48,500,000
NET ASSETS AVAILABLE FOR BENEFITS	$ 1,042,483	$ (32,626,376)	$ (31,583,893)	$ 388,619	$ (34,824,668)	$ (34,436,049)

See accompanying notes to financial statements.

BLUFOX MOBILE SERVICES 1, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2022

	2022		
	ALLOCATED	UNALLOCATED	TOTAL
Additions			
Investment income:			
Net appreciation in fair value of investments	$ 40,230	$ 1,249,770	$ 1,290,000
Dividend income	-	1,015,126	1,015,126
Total investment income	40,230	2,264,896	2,305,126
Employer contributions	-	1,508,760	1,508,760
Allocation of Sponsor company common stock (at fair value)	613,634	-	613,634
Total Additions	653,864	3,773,656	4,427,520
Deductions			
Interest expense	-	961,730	961,730
Allocation of Sponsor company common stock (at fair value)	-	613,634	613,634
Total Deductions	-	1,575,364	1,575,364
NET INCREASE	653,864	2,198,292	2,852,156
NET ASSETS AVAILABLE FOR BENEFITS			
Beginning of year	388,619	(34,824,668)	(34,436,049)
End of year	$ 1,042,483	$ (32,626,376)	$ (31,583,893)

See accompanying notes to financial statements.

NOTE 1: DESCRIPTION OF PLAN

The following description of the Blufox Mobile Services 1, Inc. Employee Stock Ownership Plan (the "Plan") is for general information purposes only. Participants should refer to the Plan Agreement, for a more complete description of the Plan's provisions.

General

Blufox Mobile Services 1, Inc. (the "Company" and "Sponsor" of the Plan), initially established the Plan effective January 1, 2021. The Plan operates as a leveraged employee stock ownership plan (ESOP) and is designed to comply with Section 4975(e)(7) of the regulations under the Internal Revenue Code of 1986 (the "Code"), as amended and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan is administered by a third-party administrator ("TPA"), Danziger & Markhoff LLP. The trust department of an independent third-party (Aegis Fiduciary) is the Plan's Trustee and Custodian.

On December 31, 2021, the Plan made an initial purchase directly from the stockholders of the Company, a total of 375,000 shares of Company common stock using proceeds from a loan with the Company and holds the stock in a trust established under the Plan. The loan is to be repaid over a period of fifteen years by fully deductible Company contributions to the trust fund and is guaranteed by the Company.

Allocated and Unallocated Shares

Plan borrowings are collateralized by the unallocated shares of the Company's common stock and guaranteed by the Company (see Note 6). The Company, in its role as lender, has no rights against shares after they are allocated to participants under the Plan.

Accordingly, the accompanying financial statements present separately the assets and liabilities and changes therein pertaining to:

- The accounts of employees with rights in allocated stock (Allocated); and
- Stock not yet allocated to employees (Unallocated).

Eligibility

The Plan covers all eligible full-time employees of the Company and its participating subsidiaries, who have completed one-year of service provided they worked at least 1,000 hours during such Plan year and were employed by the Company on the last day of the Plan year.

Participants' Accounts and Forfeitures

The Plan administrator shall establish and maintain a Company stock account and cash account in the name of each participant. Each participant's cash account is credited with an allocation of cash as contributed by the Company. Upon purchase of Company Stock with such cash, shares of the Company's stock will be allocated to the participant's account from the unallocated Company stock suspense account and forfeitures of terminated participants' nonvested accounts.

Forfeitures are added to employer contributions. Generally, those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation. At December 31, 2022 and 2021, there were no forfeitures of terminated non-vested account balances allocated to remaining participants. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NOTE 1: DESCRIPTION OF PLAN (Continued)

Vesting

A participant will become 100 percent vested in his or her account if employment ends because he or she dies, or becomes disabled, or after completing six years of service. If a participant's employment terminates before any of the foregoing occurrences, a participant is entitled to a percentage of such allocated account based on years of service. These percentages range from 0 – 100%, as shown in the table below, and are relative to years of service ranging from less than two years to six or more years, respectively.

Years of Service	Vesting Percentage
Less than 2 years	0%
2 years but less than 3 years	20%
3 years but less than 4 years	40%
4 years but less than 5 years	60%
5 years but less than 6 years	80%
6 years or more	100%

Voting Rights

Except as set forth below, all Company Stock held in Trust shall be voted by the Trustee. Each Participant or Beneficiary in the Plan shall be entitled to direct the Trustee as to the manner in which voting rights on shares of Company Stock which are allocated to the Company Stock Account of such Participant or Beneficiary are to be exercised with respect to any corporate matter which involves the voting of such shares with respect to the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all assets of a trade or business, or such similar transaction as prescribed in regulations.

Payment of Benefits

Except for diversification based distributions (described below), no distributions from the Plan will be made until a participant retires, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company and its participating subsidiaries. Distributions are made in cash.

Under the provisions of the Plan, the Company is obligated to repurchase participant shares which have been distributed under the terms of the Plan as long as the shares are not publicly traded or if the shares are subject to trading limitations.

Put Option

If a participant elects to receive a distribution in common shares, the Company is to issue a put option to the participant which permits the participant to sell such shares at its then fair market value, as determined by an independent appraiser, to the Company at any time during a 60-day period beginning on the date the shares were distributed to the participant. Payment for shares can be made by the Company using a promissory note, not to exceed five years, payable in equal annual installments plus a reasonable annual interest rate, or in a lump sum payable no later than 30 days after a participant exercises a put option. In general, a put option lapses after the initial 60-day period but may be extended for an additional 60 days. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

NOTE 1: DESCRIPTION OF PLAN (Continued)

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 of Company stock into investments that are more diversified. Participants who are at least age 55, with at least ten (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% of the number of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. If the participant is age 60 and has completed ten (10) years of participation in the Plan, that participant can diversify 50% of the number of shares allocated to his or her account. Participants may receive a cash distribution of the applicable amount or transfer the applicable amount to another qualified retirement plan. Participants eligible to diversify make their election after year-end based on the number of shares of the employer's stock held in their account at year-end.

Plan Termination

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the Administration Committee shall direct the Trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed stock held in the loan suspense account.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Plan's financial statements are prepared on the accrual method of accounting.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at estimated 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. The Plan's investments consist of common stock of the Company. The methods used to estimate fair value may produce an amount 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 measure the fair value of certain financial instruments could result in a different fair value at the reporting date. See Note 4 for discussion of fair value measurements.

Net appreciation in fair value of the common stock of the Company is computed based on number of shares held at end of the year less shares contributed and purchased during the year by the Company times the changes in fair value of the per share price during the year. Net appreciation in fair value of investments is the Plan's gains and losses on investments held during the year.

Operating Expenses

All expenses of administration may be paid out of the trust fund unless paid by the Company.

NOTE 3: INVESTMENTS

The Plan's investments at December 31 are presented in the following table:

	2022 (Audited)		
	ALLOCATED	UNALLOCATED	TOTAL
Sponsor Company Common Stock:			
Number of Shares	28,428.7688	346,571.2312	375,000.0000
Cost	$ 3,677,943	$ 44,822,057	$ 48,500,000
Fair Value ($36.67 per share)	$ 1,042,483	$ 12,708,767	$ 13,751,250

	2021 (Compiled)		
	ALLOCATED	UNALLOCATED	TOTAL
Sponsor Company Common Stock:			
Number of Shares	11,694.8347	375,000.0000	375,000.0000
Cost	$ 1,512,532	$ 48,500,000	$ 50,012,532
Fair Value ($33.23 per share)	$ 388,619	$ 12,461,250	$ 12,849,869

NOTE 4: FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 820, "Fair Value Measurement," provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the assets or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

The asset 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.

The 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 December 31, 2022 and 2021.

NOTE 4: FAIR VALUE MEASUREMENTS (Continued)

Company's Common Stock:

The Company's common stock held by the Plan is valued at fair value based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior years. The appraiser takes into account historical and projected cash flow and net income, return on asset, return on equity, market comparable and estimated fair value of Company assets and liabilities.

The valuation process involves the Trustee's selection of an independent appraiser under contract with the right to cancel such contract at any time. Plan management accumulates the data for the appraiser from the audited financial statements of the Company. The appraiser prepares a preliminary report which the ESOP Trustee reviews in detail, discusses and approves. The results of this process are documented in minutes of the Plan fiduciary.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. 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 the Company's common stock, could result in a different fair value measurement at the reporting date.

The following table sets forth level classifications, within the fair value hierarchy. The Plan's assets at fair value as of December 31, are as follows:

	Investments at Fair Value as of December 31, 2022 (Audited)			
	Level 1	Level 2	Level 3	Total
Sponsor Company's Common Stock	$ -	$ -	$ 13,751,250	$ 13,751,250

	Investments at Fair Value as of December 31, 2021 (Compiled)			
	Level 1	Level 2	Level 3	Total
Sponsor Company's Common Stock	$ -	$ -	$ 12,461,250	$ 12,461,250

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 year ended December 31, 2022:

NOTE 4: FAIR VALUE MEASUREMENTS (Continued)

	Investment in Sponsor Company Common Stock
Balance, beginning of year	$ 12,461,250
Net appreciation in fair value of investments	1,290,000
Balance, end of year	$ 13,751,250
The amount of total gains for the year included additions to net assets attributed to the change in unrealized gains relating to assets still held at the reporting date	$ 1,290,000

Unrealized gains included in changes in net assets for the period above are reported in net appreciation in fair value of investments.

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

NOTE 5: TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated August 30, 2023, that the Plan and related trust are designed in accordance with applicable sections of the Code. Although the Plan had not received the determination letter for some time after its effective date, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of the financial statements date.

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 (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 6: NOTES PAYABLE

On December 31, 2021, the Plan entered into an ESOP credit agreement with the Company in the amount of $48,500,000 in exchange for 375,000 shares of common stock in the Company. The agreement provides for the loan to be repaid over 20 annual installments of principal and interest commencing December 31, 2022. The annual installment payments are to be made from contributions made to the Plan by the Company. The loan is secured by the shares of common stock purchased and earnings thereon. The loan bears interest of 5 percent.

On January 20, 2022, the Plan refinanced the credit agreement. The new terms of the agreement provide for the loan to be repaid over 15 annual installments of principal and interest commencing December 31, 2022. The loan bears interest at 1.82 percent. Aggregate annual principal maturities of the note payable are $3,112,150 each year. As of December 31, 2022, the loan balance was $45,335,143.

For the year ended December 31, 2022, the Plan paid $961,730 in interest.

NOTE 7: ADMINISTRATION OF PLAN ASSETS

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

Company contributions are held and managed by the Trustee, which invests cash received, interest, and dividend income and makes distributions to participants.

Certain administrative functions are performed by officers or employees of the Company or its subsidiaries. No such officer or employee receives compensation from the Plan. Administrative expenses are generally paid directly by the Company but may be paid for out of forfeitures from the accounts of non-vested participants who have terminated employment with the Company to the extent such expenses are not otherwise paid by the Company. All 2022 Plan year administrative expenses were paid by the Company.

NOTE 8: EMPLOYER CONTRIBUTIONS

As a result of the purchase of shares of stock by the Plan from the Company in 2022, the Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, if any, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its notes payable. Additionally, the Company, in its sole discretion, may make contributions in either cash or Company stock to the Plan each year in excess of the required contributions and shall be allocated to the participants' ESOP stock accounts or ESOP cash accounts. In 2022 the Company made the required cash contribution of $1,508,760. As a result of the payment of the note principal and applicable interest, 16,733.9341 shares of common stock were released from the unallocated account and allocated to eligible participants as a 2022 contribution.

NOTE 9: PLAN DISTRIBUTIONS

When participants employment ends for reasons other than death or disability, or before reaching the Plan's defined normal retirement age, distribution of the vested portion of such participants accounts generally will be made, at the participant's election, upon the earlier of (i) the plan year following the attainment of Plan's defined normal retirement age or (ii) the third (3rd) plan year following the plan year during which employment terminated. The Plan administrator has the right to amend the distribution policy to delay the payment by changing this second circumstance to up to the sixth (5th) plan year following the plan year during which employment terminated. If employment terminates because of death or disability or following attainment of the plan's defined normal retirement age, the distribution of the vested portion of such participants accounts generally will be made, at the participant's, or if applicable beneficiary's, election no later than the plan year immediately following the plan year during which employment terminated. The Plan currently makes distributions upon receipt of a participant's distribution election in lump sum payments; however, if deemed appropriate by the Plan administrator, distributions may be distributed in up to five equal annual installment distributions. There were no distributions made during 2022.

NOTE 10: RISKS AND UNCERTAINTIES

Investments held by the Plan are exposed to various risks, such as market, interest rate and credit risks. Due to the level of risk associated with the Company's stock and the level of uncertainty related to changes in the value of the stock, it is at least reasonably possible that risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits. In addition to the risks involving changes in the actual underlying value of the Plan's investments, there are uncertainties inherent in estimating the value of the Company's common stock in the absence of readily quoted market prices. This estimation uncertainty means that there is additional risk from the possibility that the estimate of value will change in the next year to a material extent beyond any actual changes in the underlying value of stock.

NOTE 11: RELATED-PARTY AND PARTIES-IN-INTEREST TRANSACTIONS

The Plan invests in the Company's common stock. These are related-party and party-in-interest transactions. Pursuant to ERISA Sections 3(14)(A), (C) and (H), the Company, as Sponsor of the Plan, Danziger & Markhoff LLP, as TPA and Aegis Fiduciary, the Trustee of the Plan and also custodian of the Plan's assets, are considered to be parties-in-interest of the Plan.

NOTE 12: SUBSEQUENT EVENTS

On July 18, 2023, the Company signed an amended agreement for a reduction in the purchase price of the 375,000 shares of the common stock of the Company held by the Plan. The Plan's seller note obligations were assumed and refinanced by the Company in exchange for an internal loan with the Plan on December 31, 2021.The purchase price adjustments were determined in accordance with provisions in the original agreement which indicated certain conditions for a purchase price adjustment. The downward adjustment amount of $1,765,042 resulted in an amended purchase price of $46,734,958, and the Company's common stock original price per share decreased from $129.33 per share to $124.63 per share. The note payable (Note 6), was also amended and restated to reflect the purchase price reduction.

The Plan has evaluated subsequent events through May 2, 2024, the date the financial statements were available to be issued.

BLUFOX MOBILE SERVICES 1, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

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

E.I.N. # 35-2617011
Plan # 001

As of December 31, 2022

(a)	Identity of Issuer, Borrower, Lessor, or Similar Party (b)	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value (c)	Cost (d)	Current Value (e)
*	Blufox Mobile Services 1, Inc.	Common Stock	$ 48,500,000	$ 13,751,250

* Indicates Party-in-Interest to the Plan

BLUFOX MOBILE SERVICES 1, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Financial Statements and Supplemental Schedule
(Together with Independent Auditors' Report)

December 31, 2022

BLUFOX MOBILE SERVICES 1, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
Blufox Mobile Services 1, Inc. Employee Stock Ownership Plan

Opinion on 2022 Financial Statements

We have audited the financial statements of Blufox Mobile Services 1, Inc. Employee Stock Ownership Plan ("the Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), which comprise the statement of net assets available for benefits as of December 31, 2022, the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion on 2022 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 2022 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 audit opinion.

Responsibilities of Management for the 2022 Financial Statements

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

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

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

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Auditors' Responsibilities for the Audit of the 2022 Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Other Matter - Supplemental Schedule Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2022, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

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

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

Other Matter - Report on Compiled 2021 Financial Statement

Plan management is responsible for the accompanying financial statement of the Plan, which comprises the statement of net assets available for benefits as of December 31, 2021 and the related notes to the financial statement in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the 2021 financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by plan management. Accordingly, we do not express an opinion, a conclusion, or provide any form of assurance on the 2021 financial statement.



New York, NY
May 2, 2024

BLUFOX MOBILE SERVICES 1, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2022 (Audited) AND 2021 (Compiled)

	2022			2021 (Compiled)		
	ALLOCATED	UNALLOCATED	TOTAL	ALLOCATED	UNALLOCATED	TOTAL
ASSETS						
Investments at fair value (Notes 3 and 4)						
Sponsor company common stock	$ 1,042,483	$ 12,708,767	$ 13,751,250	$ -	$ 12,461,250	$ 12,461,250
Employer contribution receivable	-	-	-	388,619	1,214,082	1,602,701
Total assets	1,042,483	12,708,767	13,751,250	388,619	13,675,332	14,063,951
LIABILITIES						
Note payable - Sponsor company	-	45,335,143	45,335,143	-	48,500,000	48,500,000
Total Liabilities	-	45,335,143	45,335,143	-	48,500,000	48,500,000
NET ASSETS AVAILABLE FOR BENEFITS	$ 1,042,483	$ (32,626,376)	$ (31,583,893)	$ 388,619	$ (34,824,668)	$ (34,436,049)

See accompanying notes to financial statements.

BLUFOX MOBILE SERVICES 1, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2022

	2022		
	ALLOCATED	UNALLOCATED	TOTAL
Additions			
Investment income:			
Net appreciation in fair value of investments	$ 40,230	$ 1,249,770	$ 1,290,000
Dividend income	-	1,015,126	1,015,126
Total investment income	40,230	2,264,896	2,305,126
Employer contributions	-	1,508,760	1,508,760
Allocation of Sponsor company common stock (at fair value)	613,634	-	613,634
Total Additions	653,864	3,773,656	4,427,520
Deductions			
Interest expense	-	961,730	961,730
Allocation of Sponsor company common stock (at fair value)	-	613,634	613,634
Total Deductions	-	1,575,364	1,575,364
NET INCREASE	653,864	2,198,292	2,852,156
NET ASSETS AVAILABLE FOR BENEFITS			
Beginning of year	388,619	(34,824,668)	(34,436,049)
End of year	$ 1,042,483	$ (32,626,376)	$ (31,583,893)

See accompanying notes to financial statements.

NOTE 1: DESCRIPTION OF PLAN

The following description of the Blufox Mobile Services 1, Inc. Employee Stock Ownership Plan (the "Plan") is for general information purposes only. Participants should refer to the Plan Agreement, for a more complete description of the Plan's provisions.

General

Blufox Mobile Services 1, Inc. (the "Company" and "Sponsor" of the Plan), initially established the Plan effective January 1, 2021. The Plan operates as a leveraged employee stock ownership plan (ESOP) and is designed to comply with Section 4975(e)(7) of the regulations under the Internal Revenue Code of 1986 (the "Code"), as amended and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan is administered by a third-party administrator ("TPA"), Danziger & Markhoff LLP. The trust department of an independent third-party (Aegis Fiduciary) is the Plan's Trustee and Custodian.

On December 31, 2021, the Plan made an initial purchase directly from the stockholders of the Company, a total of 375,000 shares of Company common stock using proceeds from a loan with the Company and holds the stock in a trust established under the Plan. The loan is to be repaid over a period of fifteen years by fully deductible Company contributions to the trust fund and is guaranteed by the Company.

Allocated and Unallocated Shares

Plan borrowings are collateralized by the unallocated shares of the Company's common stock and guaranteed by the Company (see Note 6). The Company, in its role as lender, has no rights against shares after they are allocated to participants under the Plan.

Accordingly, the accompanying financial statements present separately the assets and liabilities and changes therein pertaining to:

- The accounts of employees with rights in allocated stock (Allocated); and
- Stock not yet allocated to employees (Unallocated).

Eligibility

The Plan covers all eligible full-time employees of the Company and its participating subsidiaries, who have completed one-year of service provided they worked at least 1,000 hours during such Plan year and were employed by the Company on the last day of the Plan year.

Participants' Accounts and Forfeitures

The Plan administrator shall establish and maintain a Company stock account and cash account in the name of each participant. Each participant's cash account is credited with an allocation of cash as contributed by the Company. Upon purchase of Company Stock with such cash, shares of the Company's stock will be allocated to the participant's account from the unallocated Company stock suspense account and forfeitures of terminated participants' nonvested accounts.

Forfeitures are added to employer contributions. Generally, those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation. At December 31, 2022 and 2021, there were no forfeitures of terminated non-vested account balances allocated to remaining participants. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NOTE 1: DESCRIPTION OF PLAN (Continued)

Vesting

A participant will become 100 percent vested in his or her account if employment ends because he or she dies, or becomes disabled, or after completing six years of service. If a participant's employment terminates before any of the foregoing occurrences, a participant is entitled to a percentage of such allocated account based on years of service. These percentages range from 0 – 100%, as shown in the table below, and are relative to years of service ranging from less than two years to six or more years, respectively.

Years of Service	Vesting Percentage
Less than 2 years	0%
2 years but less than 3 years	20%
3 years but less than 4 years	40%
4 years but less than 5 years	60%
5 years but less than 6 years	80%
6 years or more	100%

Voting Rights

Except as set forth below, all Company Stock held in Trust shall be voted by the Trustee. Each Participant or Beneficiary in the Plan shall be entitled to direct the Trustee as to the manner in which voting rights on shares of Company Stock which are allocated to the Company Stock Account of such Participant or Beneficiary are to be exercised with respect to any corporate matter which involves the voting of such shares with respect to the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all assets of a trade or business, or such similar transaction as prescribed in regulations.

Payment of Benefits

Except for diversification based distributions (described below), no distributions from the Plan will be made until a participant retires, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company and its participating subsidiaries. Distributions are made in cash.

Under the provisions of the Plan, the Company is obligated to repurchase participant shares which have been distributed under the terms of the Plan as long as the shares are not publicly traded or if the shares are subject to trading limitations.

Put Option

If a participant elects to receive a distribution in common shares, the Company is to issue a put option to the participant which permits the participant to sell such shares at its then fair market value, as determined by an independent appraiser, to the Company at any time during a 60-day period beginning on the date the shares were distributed to the participant. Payment for shares can be made by the Company using a promissory note, not to exceed five years, payable in equal annual installments plus a reasonable annual interest rate, or in a lump sum payable no later than 30 days after a participant exercises a put option. In general, a put option lapses after the initial 60-day period but may be extended for an additional 60 days. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

NOTE 1: DESCRIPTION OF PLAN (Continued)

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 of Company stock into investments that are more diversified. Participants who are at least age 55, with at least ten (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% of the number of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. If the participant is age 60 and has completed ten (10) years of participation in the Plan, that participant can diversify 50% of the number of shares allocated to his or her account. Participants may receive a cash distribution of the applicable amount or transfer the applicable amount to another qualified retirement plan. Participants eligible to diversify make their election after year-end based on the number of shares of the employer's stock held in their account at year-end.

Plan Termination

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the Administration Committee shall direct the Trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed stock held in the loan suspense account.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Plan's financial statements are prepared on the accrual method of accounting.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at estimated 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. The Plan's investments consist of common stock of the Company. The methods used to estimate fair value may produce an amount 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 measure the fair value of certain financial instruments could result in a different fair value at the reporting date. See Note 4 for discussion of fair value measurements.

Net appreciation in fair value of the common stock of the Company is computed based on number of shares held at end of the year less shares contributed and purchased during the year by the Company times the changes in fair value of the per share price during the year. Net appreciation in fair value of investments is the Plan's gains and losses on investments held during the year.

Operating Expenses

All expenses of administration may be paid out of the trust fund unless paid by the Company.

NOTE 3: INVESTMENTS

The Plan's investments at December 31 are presented in the following table:

	2022 (Audited)		
	ALLOCATED	UNALLOCATED	TOTAL
Sponsor Company Common Stock:			
Number of Shares	28,428.7688	346,571.2312	375,000.0000
Cost	$ 3,677,943	$ 44,822,057	$ 48,500,000
Fair Value ($36.67 per share)	$ 1,042,483	$ 12,708,767	$ 13,751,250

	2021 (Compiled)		
	ALLOCATED	UNALLOCATED	TOTAL
Sponsor Company Common Stock:			
Number of Shares	11,694.8347	375,000.0000	375,000.0000
Cost	$ 1,512,532	$ 48,500,000	$ 50,012,532
Fair Value ($33.23 per share)	$ 388,619	$ 12,461,250	$ 12,849,869

NOTE 4: FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 820, "Fair Value Measurement," provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the assets or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

The asset 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.

The 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 December 31, 2022 and 2021.

NOTE 4: FAIR VALUE MEASUREMENTS (Continued)

Company's Common Stock:

The Company's common stock held by the Plan is valued at fair value based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior years. The appraiser takes into account historical and projected cash flow and net income, return on asset, return on equity, market comparable and estimated fair value of Company assets and liabilities.

The valuation process involves the Trustee's selection of an independent appraiser under contract with the right to cancel such contract at any time. Plan management accumulates the data for the appraiser from the audited financial statements of the Company. The appraiser prepares a preliminary report which the ESOP Trustee reviews in detail, discusses and approves. The results of this process are documented in minutes of the Plan fiduciary.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. 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 the Company's common stock, could result in a different fair value measurement at the reporting date.

The following table sets forth level classifications, within the fair value hierarchy. The Plan's assets at fair value as of December 31, are as follows:

	Investments at Fair Value as of December 31, 2022 (Audited)			
	Level 1	Level 2	Level 3	Total
Sponsor Company's Common Stock	$ -	$ -	$ 13,751,250	$ 13,751,250

	Investments at Fair Value as of December 31, 2021 (Compiled)			
	Level 1	Level 2	Level 3	Total
Sponsor Company's Common Stock	$ -	$ -	$ 12,461,250	$ 12,461,250

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 year ended December 31, 2022:

NOTE 4: FAIR VALUE MEASUREMENTS (Continued)

	Investment in Sponsor Company Common Stock
Balance, beginning of year	$ 12,461,250
Net appreciation in fair value of investments	1,290,000
Balance, end of year	$ 13,751,250
The amount of total gains for the year included additions to net assets attributed to the change in unrealized gains relating to assets still held at the reporting date	$ 1,290,000

Unrealized gains included in changes in net assets for the period above are reported in net appreciation in fair value of investments.

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

NOTE 5: TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated August 30, 2023, that the Plan and related trust are designed in accordance with applicable sections of the Code. Although the Plan had not received the determination letter for some time after its effective date, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of the financial statements date.

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 (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 6: NOTES PAYABLE

On December 31, 2021, the Plan entered into an ESOP credit agreement with the Company in the amount of $48,500,000 in exchange for 375,000 shares of common stock in the Company. The agreement provides for the loan to be repaid over 20 annual installments of principal and interest commencing December 31, 2022. The annual installment payments are to be made from contributions made to the Plan by the Company. The loan is secured by the shares of common stock purchased and earnings thereon. The loan bears interest of 5 percent.

On January 20, 2022, the Plan refinanced the credit agreement. The new terms of the agreement provide for the loan to be repaid over 15 annual installments of principal and interest commencing December 31, 2022. The loan bears interest at 1.82 percent. Aggregate annual principal maturities of the note payable are $3,112,150 each year. As of December 31, 2022, the loan balance was $45,335,143.

For the year ended December 31, 2022, the Plan paid $961,730 in interest.

NOTE 7: ADMINISTRATION OF PLAN ASSETS

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

Company contributions are held and managed by the Trustee, which invests cash received, interest, and dividend income and makes distributions to participants.

Certain administrative functions are performed by officers or employees of the Company or its subsidiaries. No such officer or employee receives compensation from the Plan. Administrative expenses are generally paid directly by the Company but may be paid for out of forfeitures from the accounts of non-vested participants who have terminated employment with the Company to the extent such expenses are not otherwise paid by the Company. All 2022 Plan year administrative expenses were paid by the Company.

NOTE 8: EMPLOYER CONTRIBUTIONS

As a result of the purchase of shares of stock by the Plan from the Company in 2022, the Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, if any, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its notes payable. Additionally, the Company, in its sole discretion, may make contributions in either cash or Company stock to the Plan each year in excess of the required contributions and shall be allocated to the participants' ESOP stock accounts or ESOP cash accounts. In 2022 the Company made the required cash contribution of $1,508,760. As a result of the payment of the note principal and applicable interest, 16,733.9341 shares of common stock were released from the unallocated account and allocated to eligible participants as a 2022 contribution.

NOTE 9: PLAN DISTRIBUTIONS

When participants employment ends for reasons other than death or disability, or before reaching the Plan's defined normal retirement age, distribution of the vested portion of such participants accounts generally will be made, at the participant's election, upon the earlier of (i) the plan year following the attainment of Plan's defined normal retirement age or (ii) the third (3rd) plan year following the plan year during which employment terminated. The Plan administrator has the right to amend the distribution policy to delay the payment by changing this second circumstance to up to the sixth (5th) plan year following the plan year during which employment terminated. If employment terminates because of death or disability or following attainment of the plan's defined normal retirement age, the distribution of the vested portion of such participants accounts generally will be made, at the participant's, or if applicable beneficiary's, election no later than the plan year immediately following the plan year during which employment terminated. The Plan currently makes distributions upon receipt of a participant's distribution election in lump sum payments; however, if deemed appropriate by the Plan administrator, distributions may be distributed in up to five equal annual installment distributions. There were no distributions made during 2022.

NOTE 10: RISKS AND UNCERTAINTIES

Investments held by the Plan are exposed to various risks, such as market, interest rate and credit risks. Due to the level of risk associated with the Company's stock and the level of uncertainty related to changes in the value of the stock, it is at least reasonably possible that risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits. In addition to the risks involving changes in the actual underlying value of the Plan's investments, there are uncertainties inherent in estimating the value of the Company's common stock in the absence of readily quoted market prices. This estimation uncertainty means that there is additional risk from the possibility that the estimate of value will change in the next year to a material extent beyond any actual changes in the underlying value of stock.

NOTE 11: RELATED-PARTY AND PARTIES-IN-INTEREST TRANSACTIONS

The Plan invests in the Company's common stock. These are related-party and party-in-interest transactions. Pursuant to ERISA Sections 3(14)(A), (C) and (H), the Company, as Sponsor of the Plan, Danziger & Markhoff LLP, as TPA and Aegis Fiduciary, the Trustee of the Plan and also custodian of the Plan's assets, are considered to be parties-in-interest of the Plan.

NOTE 12: SUBSEQUENT EVENTS

On July 18, 2023, the Company signed an amended agreement for a reduction in the purchase price of the 375,000 shares of the common stock of the Company held by the Plan. The Plan's seller note obligations were assumed and refinanced by the Company in exchange for an internal loan with the Plan on December 31, 2021.The purchase price adjustments were determined in accordance with provisions in the original agreement which indicated certain conditions for a purchase price adjustment. The downward adjustment amount of $1,765,042 resulted in an amended purchase price of $46,734,958, and the Company's common stock original price per share decreased from $129.33 per share to $124.63 per share. The note payable (Note 6), was also amended and restated to reflect the purchase price reduction.

The Plan has evaluated subsequent events through May 2, 2024, the date the financial statements were available to be issued.

BLUFOX MOBILE SERVICES 1, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

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

E.I.N. # 35-2617011
Plan # 001

As of December 31, 2022

(a)	Identity of Issuer, Borrower, Lessor, or Similar Party (b)	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value (c)	Cost (d)	Current Value (e)
*	Blufox Mobile Services 1, Inc.	Common Stock	$ 48,500,000	$ 13,751,250

* Indicates Party-in-Interest to the Plan