

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 2023 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____ ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan SRC AFFILIATED PROFIT SHARING 401(K) PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 01/01/1987
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) STAGERIGHT CORPORATION 495 PIONEER PARKWAY CLARE, MI 48617
2b	Employer Identification Number (EIN) 38-2513133
2c	Plan Sponsor's telephone number 989-386-6326
2d	Business code (see instructions) 332900

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.	09/27/2024	MINDY ROTZ
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/27/2024	MINDY ROTZ
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 272
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 200 6a(2) 228 6b 1 6c 70 6d 299 6e 0 6f 299 6g(1) 266 6g(2) 280 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
 2T 2E 2J 2G 2K 2F 3H

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

9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) ☐ **DCG** (Individual Plan Information) – Number Attached _____
- (5) ☐ **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☒ **A** (Insurance Information) – Number Attached 1
- (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 2023 Form M-1 annual report. If the plan was not required to file the 2023 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2023 This Form is Open to Public Inspection
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan	B Three-digit plan number (PN)	001
SRC AFFILIATED PROFIT SHARING 401(K) PLAN		
C Plan sponsor's name as shown on line 2a of Form 5500	D Employer Identification Number (EIN)	
STAGERIGHT CORPORATION	38-2513133	

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

(a) Name of insurance carrier
PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-1050034	93629	038909	299	01/01/2023	12/31/2023

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4 Current value of plan's interest under this contract in the general account at year end	4	6001225
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	5137491

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier**6b****c** Premiums due but unpaid at the end of the year.....**6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.**6d**

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
 (3) ☐ guaranteed investment (4) ☒ other ▶ **GUARANTEED GENERAL ACCOUNT CONTRACT**

b Balance at the end of the previous year**7b**

5961892

c Additions: (1) Contributions deposited during the year**7c(1)**

379346

(2) Dividends and credits

7c(2)

(3) Interest credited during the year

7c(3)

112747

(4) Transferred from separate account.....

7c(4)

186514

(5) Other (specify below)

7c(5)

389621

▶ **LOAN REPAYMENTS TRANSFERS IN MISCELLANEOUS IN**

(6) Total additions

7c(6)

1068228

d Total of balance and additions (add lines **7b** and **7c(6)**)**7d**

7030120

e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year

7e(1)

707077

(2) Administration charge made by carrier

7e(2)

492

(3) Transferred to separate account.....

7e(3)

173790

(4) Other (specify below)

7e(4)

147536

▶ **LOAN INITIATIONS TRANSFERS OUT, FORFEITURES DEBITS MISCELLANEOUS OUT**

(5) Total deductions

7e(5)

1028895

f Balance at the end of the current year (subtract line **7e(5)** from line **7d**)**7f**

6001225

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

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

Specify nature of costs.

Part IV Provision of Information

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

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2023
		This Form is Open to Public Inspection.

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan SRC AFFILIATED PROFIT SHARING 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 STAGERIGHT CORPORATION	D Employer Identification Number (EIN) 38-2513133	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PRUDENTIAL RETIREMENT INSURANCE AND
06-1050034

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

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

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

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 37 50 64	NONE	42624	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

MMA SECURITIES LLC

22-3570392

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 27	NONE	35000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection.
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan SRC AFFILIATED PROFIT SHARING 401(K) PLAN		B Three-digit plan number (PN) ▶ 001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 STAGERIGHT CORPORATION		D Employer Identification Number (EIN) 38-2513133

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)		
a Name of MTIA, CCT, PSA, or 103-12 IE: LCG AMERICAN CENTURY			
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.			
c EIN-PN 06-1050034-253	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3880408	
a Name of MTIA, CCT, PSA, or 103-12 IE: MCG ARTISAN PARTNER			
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.			
c EIN-PN 06-1050034-185	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1104907	
a Name of MTIA, CCT, PSA, or 103-12 IE: MCV ROBECO FUND			
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.			
c EIN-PN 06-1050034-440	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 6221	
a Name of MTIA, CCT, PSA, or 103-12 IE: REAL ESTATE COHEN&STEERS			
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.			
c EIN-PN 06-1050034-305	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 145955	
a Name of MTIA, CCT, PSA, or 103-12 IE: SCG TIMESSQUARE			
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.			
c EIN-PN 06-1050034-132	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II **Information on Participating Plans (to be completed by DFEs, other than DCGs)**

(Complete as many entries as needed to report all participating plans. DCGs must report each participating plan using Schedule DCG.)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

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
		2023
		This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan SRC AFFILIATED PROFIT SHARING 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 STAGERIGHT CORPORATION	D Employer Identification Number (EIN) 38-2513133	

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)	813902	841421
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	5857269	5137491
(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)	10588994	14683534
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	5961892	6001225
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	23222057	26663671
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	23222057	26663671

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)	509707	
(B) Participants	2a(1)(B)	1114065	
(C) Others (including rollovers)	2a(1)(C)	250555	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1874327
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)	44926	
(F) Other	2b(1)(F)	112747	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		157673
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	308548	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		308548
(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)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		1499838
(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)		1528853
c Other income	2c		-355
d Total income. Add all income amounts in column (b) and enter total	2d		5368884

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1849345	
(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)		1849345
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees.....	2i(2)	42625	
(3) Recordkeeping fees.....	2i(3)		
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees	2i(5)	26250	
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)	9050	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		77925
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1927270

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		3441614
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **WEINLANDER FITZHUGH**

(2) EIN: **38-2272300**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) ☐ This form is filed for a CCT, PSA, DCG 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. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

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.)		☒	
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.)		☒	
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.)		☒	
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.)		☒	
e Was this plan covered by a fidelity bond?	☒		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
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?		☒	
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?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒		
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.)		☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		☒	
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.			

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
		2023
		This Form is Open to Public Inspection.

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan SRC AFFILIATED PROFIT SHARING 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 STAGERIGHT CORPORATION	D Employer Identification Number (EIN) 38-2513133	

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

1	Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
2	Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 22-1211670 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
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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) 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) 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)	14a 14b 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 b The corresponding number for the second preceding plan year	15a 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 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	16a 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) and (b): a Enter the percentage of plan assets held as: Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____% High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____% b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets: ☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more	
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. _____	

Part VII	IRS Compliance Questions
-----------------	---------------------------------

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☐ Yes ☒ No 21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2). ☐ Design-based safe harbor method ☐ "Prior year" ADP test ☒ "Current year" ADP test ☐ N/A	
22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter <u>06 / 28 / 2023</u> (MM/DD/YYYY) and the Opinion Letter serial number _____.	

SRC AFFILIATED
PROFIT SHARING 401(K) PLAN
CLARE, MICHIGAN

FINANCIAL STATEMENTS
DECEMBER 31, 2023



WEINLANDER FITZHUGH
Certified Public Accountants & Advisors

I N D E X

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Bay City • Clare • Gladwin • West Branch

INDEPENDENT AUDITOR'S REPORT

September 17, 2024

Plan Administrator
SRC Affiliated Profit Sharing 401(k) Plan
Clare, Michigan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audits

We have performed audits of the accompanying financial statements of SRC Affiliated Profit Sharing 401(k) Plan ("the Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022 and the related statement of changes in net assets available for benefits for the year ended December 31, 2023 and the related notes to the financial statements.

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

Management has obtained certifications from qualified institutions as of December 31, 2023 and 2022, and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

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

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



WEINLANDER FITZHUGH

Certified Public Accountants & Advisors

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibility for the Audits of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with U.S. generally accepted auditing standards, we:

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

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

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

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 audits.



WEINLANDER FITZHUGH

Certified Public Accountants & Advisors

Other Matter - Supplemental Schedule Required by ERISA

The supplemental schedule of assets held at end of year as of December 31, 2023 is presented for the purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment 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 U.S. generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their 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 form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirement of ERISA Section 103(a)(3)(C).

Weinlander Fitzhugh
Bay City, Michigan

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Investments at fair value:			
Mutual funds		\$ 14,683,534	\$ 10,588,994
Pooled separate accounts		<u>5,137,491</u>	<u>5,857,269</u>
		19,821,025	16,446,263
Investments at contract value:			
Guaranteed income fund		6,001,225	5,961,892
Receivables:			
Employer contribution		13,908	10,307
Participant loans		<u>841,421</u>	<u>813,902</u>
Total Assets		<u><u>26,677,579</u></u>	<u><u>23,232,364</u></u>
	<u>LIABILITIES</u>		
Total Liabilities		<u>0</u>	<u>0</u>
Net Assets Available for Benefits		<u><u>\$26,677,579</u></u>	<u><u>\$ 23,232,364</u></u>

See accompanying notes to financial statements

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Statement of Changes in Net Assets
Available for Benefits
For the Year Ended December 31, 2023

ADDITIONS

Investment income:

Net appreciation in the fair value of investments	\$ 2,955,060
Investment income	381,824
Interest income	112,747
	<u>3,449,631</u>

Interest from participant loans	<u>44,926</u>
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Contributions:

Employee	1,114,065
Employer	513,308
Rollovers	250,555
	<u>1,877,928</u>

Total additions	<u>5,372,485</u>
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DEDUCTIONS

Benefit payments	1,849,345
Administrative expenses	77,925
Total deductions	<u>1,927,270</u>

Net increase	3,445,215
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Net assets available for plan benefits:

Beginning of year	<u>23,232,364</u>
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End of year	<u><u>\$ 26,677,579</u></u>
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See accompanying notes to financial statements

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 1 - PLAN DESCRIPTION

The following description of the SRC Affiliated Profit Sharing 401(k) Plan (Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

General. The Plan is a defined contribution plan established under the provision of Section 401(a) of the Internal Revenue Code (IRC), which includes a qualified cash or deferred arrangement as described in Section 401(k) of the IRC, for the benefit of eligible employees. All employees of StageRight Corporation, Rogers Athletic Co., Inc., Rogers Group, Inc., Filcon, Inc., World Sporting Goods, LLC, Tranquil Systems International, LLC, Rogers Group Trucking, LLC, Lunagen Labs, LLC, SRC Employee Resources, Inc. and Swarfworks, Inc. (Companies), are eligible to defer compensation immediately upon employment. Participants who have completed one year of service and are at least 18 years of age will share in the Companies matching contributions. Receipt of matching contributions will begin for eligible employees on the first day of the first and seventh months of every plan year depending on date of hire. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Plan Administration. The Plan is administered by the SRC Affiliated Profit Sharing 401(k) Plan Committee. The Plan's trustees, Prudential Bank & Trust (through March 2023), Empower Trust Company, LLC (as of December 31, 2023 and for the period of April 1, 2023 through December 31, 2023), and Empower Annuity Insurance Company of America (the insurance company) are responsible for the custody and management of the Plan's assets. The Plan is charged with management service fees based upon the value of the plan assets in accordance with the plan agreement. Such fees are treated as reductions of investment earnings and allocated accordingly.

Coronavirus Aid, Relief and Economic Security (CARES) Act. During 2020, the Plan implemented certain CARES Act provisions to allow for special coronavirus related distributions, an increase in Plan loan amounts, and waiver of 2020 required minimum distributions. The Plan was amended on January 16, 2024 to memorialize these changes.

Contributions. Eligible employees can contribute up to the maximum percentage of compensation and dollar amount permissible under Section 402(g) of the IRC not to exceed the limits of Code Sections 401(k), 404 and 415. The Companies provide a matching contribution equal to 100% of the first 3% of the participant's gross compensation and 50% of the next 2% of gross compensation to the extent deferred. Participants that are at least 18 years of age and have provided 1,000 hours of service in 12 consecutive months are eligible to receive matching contributions. The participant contributions and the Companies matching contributions may be allocated to investments as the participant directs.

Vesting. Participants begin graduated vesting 20% after one year of service and are vested 100% in the Plan after five years for matching contributions prior to January 1, 2011. For matching contributions after January 1, 2011, participants are 100% vested.

Payment of Benefits. On retirement, death, disability or termination of service, a participant (or the participant's beneficiary in the event of death) may elect to receive a lump-sum or partial distribution equal to the participant's account balance.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 1 - PLAN DESCRIPTION (CONTINUED)

If a participant's account balance is less than \$5,000, their account may be distributed as soon as possible following a termination that entitles the participant to a distribution. Once a participant reaches the age of 73, there are minimum distribution requirements. A participant can also receive in-service distributions from their account balance if they reach the age of 59 ½.

Participant Accounts. Individual accounts are maintained for each of the Plan's participants to reflect the participant's contributions and related employer contributions, as well as the participant's share of the Plan's income and any related administrative expenses. Allocations of income and expenses are based on the proportion that each participant's account balance bears to the total of all participant account balances.

Participant Loans. A participant may borrow from his or her pre-tax account a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. All loans issued by the Plan must be repaid within five years except for loans used to purchase a primary residence for the participant. The loans are secured by the balance in the participant's account. Loans, plus interest, are repaid by means of payroll deduction. A fee related to administering a loan under the Plan may be deducted from the participant's account.

Forfeited Accounts. Forfeited nonvested accounts are used to offset employer matching contributions or administrative expenses. The amount of forfeitures used to offset administrative expenses was \$433 for 2023. There was \$597 of unallocated forfeitures as of December 31, 2023.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Use of Estimates

The accompanying financial statements are prepared on the accrual basis of accounting. The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates.

Investment contracts held by a defined contribution plan are required to be reported at contract value. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan.

Income Recognition

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

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by the investment advisor, trustee and custodian. See note 6 for more information. Participant notes receivable are valued at cost which approximates fair value. The contract value of the guaranteed investment contract is calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations.

Net Appreciation (Depreciation) in Fair Value of Investments

Net realized and unrealized appreciation (depreciation) is recorded in the accompanying statement of changes in net assets available for benefits as net appreciation in fair value of investments. Brokerage fees are added to the acquisition costs of assets purchased and subtracted from the proceeds of assets sold.

Risks and Uncertainties

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

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Companies and are therefore excluded from these financial statements. Investment-related expenses are included in net appreciation (depreciation) in fair value of investments. Administrative expenses of the plan are allocated to participant accounts.

Events Occurring After Reporting Date

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through the date of the accompanying Independent Auditor's Report, which is the date the financial statements were available to be issued.

NOTE 3 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEES AND INSURANCE COMPANIES

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. For the Plan year ending December 31, 2022 Prudential Bank and Trust, trustee, Prudential Retirement Insurance and Annuity Company, insurance company (through March, 2022) and Empower Annuity Insurance Company, insurance company (as of December, 2022 and for the period of April 1, 2022 through December 31, 2022), have certified that the investment assets, transactions, income and supplemental schedule is complete and accurate.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 3 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEES AND INSURANCE COMPANIES
(CONTINUED)

For the Plan year ending December 31, 2023 Prudential Bank and Trust (through March 2023) and Empower Trust Company, LLC (as of December 2023 and for the period of January 1, 2023 through December 31, 2023), the trustees, and Empower Annuity Insurance Company, insurance company, have certified that the investment assets, transactions, income and supplemental schedule is complete and accurate. The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

NOTE 4 - INVESTMENTS

There were no investments which were both acquired and disposed of within the respective plan year that are required to be disclosed.

NOTE 5 - INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan entered into an investment contract with Empower Annuity Insurance Company (Empower). Empower maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for Plan withdrawals and administrative expenses charged by Empower. The contract is included in the financial statements at contract value, (which represents contributions made under the contract, plus earnings, less withdrawals and administrative expenses) because it is fully benefit responsive. There are no reserves against contract value for credit risk of the contract issuer or otherwise. The average yield and crediting interest rates were 1.90% through June 2023 and 1.95% for the remainder of 2023. The crediting interest rate is based on an agreed-upon formula with the issuer, but cannot be less than zero.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include; (1) amendments to the Plan documents, (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events that cause a significant withdrawal from the Plan, (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA or (5) premature termination of the contract.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include; (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation or (4) a material amendment to the agreement without the consent of the issuer.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, establishes a framework for measuring 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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not considered to be active or financial statements for which all significant inputs are observable, either directly or indirectly.
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following tables present by level, within the fair value hierarchy, the Plan's investment assets at fair value, as of December 31:

<u>2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Other (1)</u>	<u>Total</u>
Mutual funds	\$ 14,683,534	\$ 0	\$ 0	\$ 0	\$ 14,683,534
Pooled separate accounts	0	0	0	5,137,491	5,137,491
Total assets at fair value	<u>\$ 14,683,534</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,137,491</u>	<u>\$ 19,821,025</u>
 <u>2022</u>	 <u>Level 1</u>	 <u>Level 2</u>	 <u>Level 3</u>	 <u>Other (1)</u>	 <u>Total</u>
Mutual funds	\$ 10,588,994	\$ 0	\$ 0	\$ 0	\$ 10,588,994
Pooled separate accounts	0	0	0	5,857,269	5,857,269
Total assets at fair value	<u>\$ 10,588,994</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,857,269</u>	<u>\$ 16,446,263</u>

(1) Certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented on the statements of net assets available for benefits.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 - FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds: Valued at the net asset value (NAV) of shares/units held by the Plan at year end.

Pooled separate accounts: Valued at the net asset value (NAV) of units held by the Plan at year end as provided by Empower and are not assigned a level in the fair value hierarchy. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying assets owned by the account net of investment management fees. The practical expedient is not used when it is determined to be probable that the investment will be sold for an amount different than the reported NAV.

The following table summarizes investments for which fair value is measured using the NAV per share as a practical expedient as of December 31, 2023 and 2022. There are no participant redemption restrictions for these investments.

<u>Investments</u>	<u>Fair Value</u>		<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
	<u>2023</u>	<u>2022</u>			
Pooled separate accounts	<u>\$5,137,491</u>	<u>\$5,857,269</u>	<u>NA</u>	<u>Daily</u>	<u>Daily</u>

NOTE 7 – PARTY-IN-INTEREST TRANSACTIONS

Investments in certain mutual funds, pooled separate accounts and a guaranteed income fund are managed by Prudential Bank and Trust (trustee, through March, 31 2023), Empower Trust Company (trustee for the period of April 1, 2023 through December 31, 2023) and Empower Annuity Insurance Company (recordkeeper and insurance company), as defined by the plan. Therefore, these transactions qualify as party-in-interest transactions. Administration fees were paid to the recordkeeper and investment advisor in the amounts of \$42,624 and \$35,000, respectively. The Plan also issues loans to participants that are secured by the vested balance of the participants' accounts. These transactions are party-in-interest transactions, which are exempt from prohibited transactions rules.

**SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022**

NOTE 8 - INCOME TAX STATUS

The Companies adopted a Prototype Non-Standardized Profit Sharing Plan with a cash or deferral arrangement which received a favorable opinion letter from the Internal Revenue Service (IRS) on June 28, 2023 which stated that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Companies believe that the Plan currently is designed and being operated in compliance with the applicable requirements of the IRC and that, therefore, the Plan qualifies under Section 401(a) and the related trust is tax-exempt as of December 31, 2023. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. generally accepted accounting principles 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 the IRS or Department of Labor. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2020.

NOTE 9 - PLAN TERMINATION

Although it has not expressed any interest to do so, the Companies have the right under the Plan to discontinue its contributions at any time, and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will receive the balance in their participant's account.

NOTE 10 – UNCERTAINTIES

As a result of the current global events, economic uncertainties have arisen which have resulted in significant volatility of financial markets. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

NOTE 11 – SUBSEQUENT EVENT

Effective July 1, 2024, the Plan was amended to include a provision that participants who become eligible to participate in the Plan after that date are subject to auto-enrollment in the Plan. Participants are auto-enrolled at a 3% deferral rate and are not subject to auto escalation.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 12 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Net assets available for benefits per the financial statements	\$26,677,579	\$23,232,364
Receivables:		
Employer contributions	<u>(13,908)</u>	<u>(10,307)</u>
Net assets available for benefits per the Form 5500	<u>\$26,663,671</u>	<u>\$23,222,057</u>

The following is a reconciliation of net increase in net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2023:

Net increase per the financial statements	\$ 3,445,215
Adjustment for employer contribution receivable	<u>(3,601)</u>
Net income per Form 5500	<u>\$ 3,441,614</u>

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
EIN: 38-2513133, Plan Number 001
Form 5500, Schedule H, Line 4i
Schedule of Assets Held
December 31, 2023

Identity of Issue Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value	Current Value
* Empower Annuity Insurance Company	Guaranteed Income Fund	<u>\$ 6,001,225</u>
<u>Mutual funds</u>		
* Prudential Mutual Funds	American Fund American Bal R6	713,477
* Prudential Mutual Funds	American Funds CP World G & I R6	471,616
* Prudential Mutual Funds	American Fund Europacific Growth R6	3,236,733
* Prudential Mutual Funds	Fidelity 500 Index Fund	1,277,382
* Prudential Mutual Funds	Fidelity Global Ex U.S. Index Fund	3,705
* Prudential Mutual Funds	Metropolitan West Total R	2,236,145
* Prudential Mutual Funds	Vanguard Small-Cap Value Fund	1,605,094
* Prudential Mutual Funds	Vanguard Value Index Fund	2,737,670
* Prudential Mutual Funds	Fidelity Small Cap Index	27,648
* Prudential Mutual Funds	Fidelity Mid Cap Index	293,368
* Prudential Mutual Funds	Vanguard Explorer Admiral	2,080,696
		<u>14,683,534</u>
<u>Pooled separate accounts</u>		
* Empower Annuity Insurance Company	Artisan Partners Mid Cap Growth Fund	1,104,907
* Empower Annuity Insurance Company	Large Cap Growth American Century Fund	3,880,408
* Empower Annuity Insurance Company	MCV Robeco Fund	6,221
* Empower Annuity Insurance Company	Real Estate/Cohen & Steers	145,955
		<u>5,137,491</u>
* Participant loans	4.25% to 9.50%	<u>841,421</u>
		<u><u>\$ 26,663,671</u></u>

* denotes party-in-interest

SRC AFFILIATED
PROFIT SHARING 401(K) PLAN
CLARE, MICHIGAN

FINANCIAL STATEMENTS
DECEMBER 31, 2023



WEINLANDER FITZHUGH
Certified Public Accountants & Advisors

I N D E X

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WEINLANDER FITZHUGH
Certified Public Accountants & Advisors

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INDEPENDENT AUDITOR'S REPORT

September 17, 2024

Plan Administrator
SRC Affiliated Profit Sharing 401(k) Plan
Clare, Michigan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audits

We have performed audits of the accompanying financial statements of SRC Affiliated Profit Sharing 401(k) Plan ("the Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022 and the related statement of changes in net assets available for benefits for the year ended December 31, 2023 and the related notes to the financial statements.

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

Management has obtained certifications from qualified institutions as of December 31, 2023 and 2022, and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

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

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



WEINLANDER FITZHUGH

Certified Public Accountants & Advisors

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibility for the Audits of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with U.S. generally accepted auditing standards, we:

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

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

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

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 audits.



WEINLANDER FITZHUGH

Certified Public Accountants & Advisors

Other Matter - Supplemental Schedule Required by ERISA

The supplemental schedule of assets held at end of year as of December 31, 2023 is presented for the purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment 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 U.S. generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their 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 form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirement of ERISA Section 103(a)(3)(C).

Weinlander Fitzhugh
Bay City, Michigan

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Investments at fair value:			
Mutual funds		\$ 14,683,534	\$ 10,588,994
Pooled separate accounts		<u>5,137,491</u>	<u>5,857,269</u>
		19,821,025	16,446,263
Investments at contract value:			
Guaranteed income fund		6,001,225	5,961,892
Receivables:			
Employer contribution		13,908	10,307
Participant loans		<u>841,421</u>	<u>813,902</u>
Total Assets		<u><u>26,677,579</u></u>	<u><u>23,232,364</u></u>
	<u>LIABILITIES</u>		
Total Liabilities		<u>0</u>	<u>0</u>
Net Assets Available for Benefits		<u><u>\$26,677,579</u></u>	<u><u>\$ 23,232,364</u></u>

See accompanying notes to financial statements

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Statement of Changes in Net Assets
Available for Benefits
For the Year Ended December 31, 2023

ADDITIONS

Investment income:

Net appreciation in the fair value of investments	\$ 2,955,060
Investment income	381,824
Interest income	112,747
	<u>3,449,631</u>

Interest from participant loans	<u>44,926</u>
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Contributions:

Employee	1,114,065
Employer	513,308
Rollovers	250,555
	<u>1,877,928</u>

Total additions	<u>5,372,485</u>
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DEDUCTIONS

Benefit payments	1,849,345
Administrative expenses	77,925
Total deductions	<u>1,927,270</u>

Net increase	3,445,215
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Net assets available for plan benefits:

Beginning of year	<u>23,232,364</u>
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End of year	<u><u>\$ 26,677,579</u></u>
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See accompanying notes to financial statements

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 1 - PLAN DESCRIPTION

The following description of the SRC Affiliated Profit Sharing 401(k) Plan (Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

General. The Plan is a defined contribution plan established under the provision of Section 401(a) of the Internal Revenue Code (IRC), which includes a qualified cash or deferred arrangement as described in Section 401(k) of the IRC, for the benefit of eligible employees. All employees of StageRight Corporation, Rogers Athletic Co., Inc., Rogers Group, Inc., Filcon, Inc., World Sporting Goods, LLC, Tranquil Systems International, LLC, Rogers Group Trucking, LLC, Lunagen Labs, LLC, SRC Employee Resources, Inc. and Swarfworks, Inc. (Companies), are eligible to defer compensation immediately upon employment. Participants who have completed one year of service and are at least 18 years of age will share in the Companies matching contributions. Receipt of matching contributions will begin for eligible employees on the first day of the first and seventh months of every plan year depending on date of hire. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Plan Administration. The Plan is administered by the SRC Affiliated Profit Sharing 401(k) Plan Committee. The Plan's trustees, Prudential Bank & Trust (through March 2023), Empower Trust Company, LLC (as of December 31, 2023 and for the period of April 1, 2023 through December 31, 2023), and Empower Annuity Insurance Company of America (the insurance company) are responsible for the custody and management of the Plan's assets. The Plan is charged with management service fees based upon the value of the plan assets in accordance with the plan agreement. Such fees are treated as reductions of investment earnings and allocated accordingly.

Coronavirus Aid, Relief and Economic Security (CARES) Act. During 2020, the Plan implemented certain CARES Act provisions to allow for special coronavirus related distributions, an increase in Plan loan amounts, and waiver of 2020 required minimum distributions. The Plan was amended on January 16, 2024 to memorialize these changes.

Contributions. Eligible employees can contribute up to the maximum percentage of compensation and dollar amount permissible under Section 402(g) of the IRC not to exceed the limits of Code Sections 401(k), 404 and 415. The Companies provide a matching contribution equal to 100% of the first 3% of the participant's gross compensation and 50% of the next 2% of gross compensation to the extent deferred. Participants that are at least 18 years of age and have provided 1,000 hours of service in 12 consecutive months are eligible to receive matching contributions. The participant contributions and the Companies matching contributions may be allocated to investments as the participant directs.

Vesting. Participants begin graduated vesting 20% after one year of service and are vested 100% in the Plan after five years for matching contributions prior to January 1, 2011. For matching contributions after January 1, 2011, participants are 100% vested.

Payment of Benefits. On retirement, death, disability or termination of service, a participant (or the participant's beneficiary in the event of death) may elect to receive a lump-sum or partial distribution equal to the participant's account balance.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 1 - PLAN DESCRIPTION (CONTINUED)

If a participant's account balance is less than \$5,000, their account may be distributed as soon as possible following a termination that entitles the participant to a distribution. Once a participant reaches the age of 73, there are minimum distribution requirements. A participant can also receive in-service distributions from their account balance if they reach the age of 59 ½.

Participant Accounts. Individual accounts are maintained for each of the Plan's participants to reflect the participant's contributions and related employer contributions, as well as the participant's share of the Plan's income and any related administrative expenses. Allocations of income and expenses are based on the proportion that each participant's account balance bears to the total of all participant account balances.

Participant Loans. A participant may borrow from his or her pre-tax account a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. All loans issued by the Plan must be repaid within five years except for loans used to purchase a primary residence for the participant. The loans are secured by the balance in the participant's account. Loans, plus interest, are repaid by means of payroll deduction. A fee related to administering a loan under the Plan may be deducted from the participant's account.

Forfeited Accounts. Forfeited nonvested accounts are used to offset employer matching contributions or administrative expenses. The amount of forfeitures used to offset administrative expenses was \$433 for 2023. There was \$597 of unallocated forfeitures as of December 31, 2023.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Use of Estimates

The accompanying financial statements are prepared on the accrual basis of accounting. The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates.

Investment contracts held by a defined contribution plan are required to be reported at contract value. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan.

Income Recognition

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

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by the investment advisor, trustee and custodian. See note 6 for more information. Participant notes receivable are valued at cost which approximates fair value. The contract value of the guaranteed investment contract is calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations.

Net Appreciation (Depreciation) in Fair Value of Investments

Net realized and unrealized appreciation (depreciation) is recorded in the accompanying statement of changes in net assets available for benefits as net appreciation in fair value of investments. Brokerage fees are added to the acquisition costs of assets purchased and subtracted from the proceeds of assets sold.

Risks and Uncertainties

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

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Companies and are therefore excluded from these financial statements. Investment-related expenses are included in net appreciation (depreciation) in fair value of investments. Administrative expenses of the plan are allocated to participant accounts.

Events Occurring After Reporting Date

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through the date of the accompanying Independent Auditor's Report, which is the date the financial statements were available to be issued.

NOTE 3 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEES AND INSURANCE COMPANIES

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. For the Plan year ending December 31, 2022 Prudential Bank and Trust, trustee, Prudential Retirement Insurance and Annuity Company, insurance company (through March, 2022) and Empower Annuity Insurance Company, insurance company (as of December, 2022 and for the period of April 1, 2022 through December 31, 2022), have certified that the investment assets, transactions, income and supplemental schedule is complete and accurate.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 3 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEES AND INSURANCE COMPANIES
(CONTINUED)

For the Plan year ending December 31, 2023 Prudential Bank and Trust (through March 2023) and Empower Trust Company, LLC (as of December 2023 and for the period of January 1, 2023 through December 31, 2023), the trustees, and Empower Annuity Insurance Company, insurance company, have certified that the investment assets, transactions, income and supplemental schedule is complete and accurate. The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

NOTE 4 - INVESTMENTS

There were no investments which were both acquired and disposed of within the respective plan year that are required to be disclosed.

NOTE 5 - INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan entered into an investment contract with Empower Annuity Insurance Company (Empower). Empower maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for Plan withdrawals and administrative expenses charged by Empower. The contract is included in the financial statements at contract value, (which represents contributions made under the contract, plus earnings, less withdrawals and administrative expenses) because it is fully benefit responsive. There are no reserves against contract value for credit risk of the contract issuer or otherwise. The average yield and crediting interest rates were 1.90% through June 2023 and 1.95% for the remainder of 2023. The crediting interest rate is based on an agreed-upon formula with the issuer, but cannot be less than zero.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include; (1) amendments to the Plan documents, (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events that cause a significant withdrawal from the Plan, (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA or (5) premature termination of the contract.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include; (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation or (4) a material amendment to the agreement without the consent of the issuer.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, establishes a framework for measuring 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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not considered to be active or financial statements for which all significant inputs are observable, either directly or indirectly.
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following tables present by level, within the fair value hierarchy, the Plan's investment assets at fair value, as of December 31:

<u>2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Other (1)</u>	<u>Total</u>
Mutual funds	\$ 14,683,534	\$ 0	\$ 0	\$ 0	\$ 14,683,534
Pooled separate accounts	0	0	0	5,137,491	5,137,491
Total assets at fair value	<u>\$ 14,683,534</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,137,491</u>	<u>\$ 19,821,025</u>
<u>2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Other (1)</u>	<u>Total</u>
Mutual funds	\$ 10,588,994	\$ 0	\$ 0	\$ 0	\$ 10,588,994
Pooled separate accounts	0	0	0	5,857,269	5,857,269
Total assets at fair value	<u>\$ 10,588,994</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,857,269</u>	<u>\$ 16,446,263</u>

(1) Certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented on the statements of net assets available for benefits.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 - FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds: Valued at the net asset value (NAV) of shares/units held by the Plan at year end.

Pooled separate accounts: Valued at the net asset value (NAV) of units held by the Plan at year end as provided by Empower and are not assigned a level in the fair value hierarchy. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying assets owned by the account net of investment management fees. The practical expedient is not used when it is determined to be probable that the investment will be sold for an amount different than the reported NAV.

The following table summarizes investments for which fair value is measured using the NAV per share as a practical expedient as of December 31, 2023 and 2022. There are no participant redemption restrictions for these investments.

<u>Investments</u>	<u>Fair Value</u>		<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
	<u>2023</u>	<u>2022</u>			
Pooled separate accounts	<u>\$5,137,491</u>	<u>\$5,857,269</u>	<u>NA</u>	<u>Daily</u>	<u>Daily</u>

NOTE 7 – PARTY-IN-INTEREST TRANSACTIONS

Investments in certain mutual funds, pooled separate accounts and a guaranteed income fund are managed by Prudential Bank and Trust (trustee, through March, 31 2023), Empower Trust Company (trustee for the period of April 1, 2023 through December 31, 2023) and Empower Annuity Insurance Company (recordkeeper and insurance company), as defined by the plan. Therefore, these transactions qualify as party-in-interest transactions. Administration fees were paid to the recordkeeper and investment advisor in the amounts of \$42,624 and \$35,000, respectively. The Plan also issues loans to participants that are secured by the vested balance of the participants' accounts. These transactions are party-in-interest transactions, which are exempt from prohibited transactions rules.

**SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022**

NOTE 8 - INCOME TAX STATUS

The Companies adopted a Prototype Non-Standardized Profit Sharing Plan with a cash or deferral arrangement which received a favorable opinion letter from the Internal Revenue Service (IRS) on June 28, 2023 which stated that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Companies believe that the Plan currently is designed and being operated in compliance with the applicable requirements of the IRC and that, therefore, the Plan qualifies under Section 401(a) and the related trust is tax-exempt as of December 31, 2023. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. generally accepted accounting principles 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 the IRS or Department of Labor. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2020.

NOTE 9 - PLAN TERMINATION

Although it has not expressed any interest to do so, the Companies have the right under the Plan to discontinue its contributions at any time, and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will receive the balance in their participant's account.

NOTE 10 – UNCERTAINTIES

As a result of the current global events, economic uncertainties have arisen which have resulted in significant volatility of financial markets. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

NOTE 11 – SUBSEQUENT EVENT

Effective July 1, 2024, the Plan was amended to include a provision that participants who become eligible to participate in the Plan after that date are subject to auto-enrollment in the Plan. Participants are auto-enrolled at a 3% deferral rate and are not subject to auto escalation.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 12 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Net assets available for benefits per the financial statements	\$26,677,579	\$23,232,364
Receivables:		
Employer contributions	<u>(13,908)</u>	<u>(10,307)</u>
Net assets available for benefits per the Form 5500	<u>\$26,663,671</u>	<u>\$23,222,057</u>

The following is a reconciliation of net increase in net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2023:

Net increase per the financial statements	\$ 3,445,215
Adjustment for employer contribution receivable	<u>(3,601)</u>
Net income per Form 5500	<u>\$ 3,441,614</u>

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
EIN: 38-2513133, Plan Number 001
Form 5500, Schedule H, Line 4i
Schedule of Assets Held
December 31, 2023

Identity of Issue Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value	Current Value
* Empower Annuity Insurance Company	Guaranteed Income Fund	<u>\$ 6,001,225</u>
<u>Mutual funds</u>		
* Prudential Mutual Funds	American Fund American Bal R6	713,477
* Prudential Mutual Funds	American Funds CP World G & I R6	471,616
* Prudential Mutual Funds	American Fund Europacific Growth R6	3,236,733
* Prudential Mutual Funds	Fidelity 500 Index Fund	1,277,382
* Prudential Mutual Funds	Fidelity Global Ex U.S. Index Fund	3,705
* Prudential Mutual Funds	Metropolitan West Total R	2,236,145
* Prudential Mutual Funds	Vanguard Small-Cap Value Fund	1,605,094
* Prudential Mutual Funds	Vanguard Value Index Fund	2,737,670
* Prudential Mutual Funds	Fidelity Small Cap Index	27,648
* Prudential Mutual Funds	Fidelity Mid Cap Index	293,368
* Prudential Mutual Funds	Vanguard Explorer Admiral	2,080,696
		<u>14,683,534</u>
<u>Pooled separate accounts</u>		
* Empower Annuity Insurance Company	Artisan Partners Mid Cap Growth Fund	1,104,907
* Empower Annuity Insurance Company	Large Cap Growth American Century Fund	3,880,408
* Empower Annuity Insurance Company	MCV Robeco Fund	6,221
* Empower Annuity Insurance Company	Real Estate/Cohen & Steers	145,955
		<u>5,137,491</u>
* Participant loans	4.25% to 9.50%	<u>841,421</u>
		<u><u>\$ 26,663,671</u></u>

* denotes party-in-interest

SRC AFFILIATED
PROFIT SHARING 401(K) PLAN
CLARE, MICHIGAN

FINANCIAL STATEMENTS
DECEMBER 31, 2023



WEINLANDER FITZHUGH
Certified Public Accountants & Advisors

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INDEPENDENT AUDITOR'S REPORT

September 17, 2024

Plan Administrator
SRC Affiliated Profit Sharing 401(k) Plan
Clare, Michigan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audits

We have performed audits of the accompanying financial statements of SRC Affiliated Profit Sharing 401(k) Plan ("the Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022 and the related statement of changes in net assets available for benefits for the year ended December 31, 2023 and the related notes to the financial statements.

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

Management has obtained certifications from qualified institutions as of December 31, 2023 and 2022, and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

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

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



WEINLANDER FITZHUGH

Certified Public Accountants & Advisors

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibility for the Audits of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with U.S. generally accepted auditing standards, we:

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

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

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

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 audits.



WEINLANDER FITZHUGH

Certified Public Accountants & Advisors

Other Matter - Supplemental Schedule Required by ERISA

The supplemental schedule of assets held at end of year as of December 31, 2023 is presented for the purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment 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 U.S. generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their 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 form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirement of ERISA Section 103(a)(3)(C).

Weinlander Fitzhugh
Bay City, Michigan

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Investments at fair value:			
Mutual funds		\$ 14,683,534	\$ 10,588,994
Pooled separate accounts		<u>5,137,491</u>	<u>5,857,269</u>
		19,821,025	16,446,263
Investments at contract value:			
Guaranteed income fund		6,001,225	5,961,892
Receivables:			
Employer contribution		13,908	10,307
Participant loans		<u>841,421</u>	<u>813,902</u>
Total Assets		<u><u>26,677,579</u></u>	<u><u>23,232,364</u></u>
	<u>LIABILITIES</u>		
Total Liabilities		<u>0</u>	<u>0</u>
Net Assets Available for Benefits		<u><u>\$26,677,579</u></u>	<u><u>\$ 23,232,364</u></u>

See accompanying notes to financial statements

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Statement of Changes in Net Assets
Available for Benefits
For the Year Ended December 31, 2023

ADDITIONS

Investment income:

Net appreciation in the fair value of investments	\$ 2,955,060
Investment income	381,824
Interest income	112,747
	<u>3,449,631</u>

Interest from participant loans	<u>44,926</u>
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Contributions:

Employee	1,114,065
Employer	513,308
Rollovers	250,555
	<u>1,877,928</u>

Total additions	<u>5,372,485</u>
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DEDUCTIONS

Benefit payments	1,849,345
Administrative expenses	77,925
Total deductions	<u>1,927,270</u>

Net increase	3,445,215
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Net assets available for plan benefits:

Beginning of year	<u>23,232,364</u>
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End of year	<u><u>\$ 26,677,579</u></u>
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See accompanying notes to financial statements

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 1 - PLAN DESCRIPTION

The following description of the SRC Affiliated Profit Sharing 401(k) Plan (Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

General. The Plan is a defined contribution plan established under the provision of Section 401(a) of the Internal Revenue Code (IRC), which includes a qualified cash or deferred arrangement as described in Section 401(k) of the IRC, for the benefit of eligible employees. All employees of StageRight Corporation, Rogers Athletic Co., Inc., Rogers Group, Inc., Filcon, Inc., World Sporting Goods, LLC, Tranquil Systems International, LLC, Rogers Group Trucking, LLC, Lunagen Labs, LLC, SRC Employee Resources, Inc. and Swarfworks, Inc. (Companies), are eligible to defer compensation immediately upon employment. Participants who have completed one year of service and are at least 18 years of age will share in the Companies matching contributions. Receipt of matching contributions will begin for eligible employees on the first day of the first and seventh months of every plan year depending on date of hire. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Plan Administration. The Plan is administered by the SRC Affiliated Profit Sharing 401(k) Plan Committee. The Plan's trustees, Prudential Bank & Trust (through March 2023), Empower Trust Company, LLC (as of December 31, 2023 and for the period of April 1, 2023 through December 31, 2023), and Empower Annuity Insurance Company of America (the insurance company) are responsible for the custody and management of the Plan's assets. The Plan is charged with management service fees based upon the value of the plan assets in accordance with the plan agreement. Such fees are treated as reductions of investment earnings and allocated accordingly.

Coronavirus Aid, Relief and Economic Security (CARES) Act. During 2020, the Plan implemented certain CARES Act provisions to allow for special coronavirus related distributions, an increase in Plan loan amounts, and waiver of 2020 required minimum distributions. The Plan was amended on January 16, 2024 to memorialize these changes.

Contributions. Eligible employees can contribute up to the maximum percentage of compensation and dollar amount permissible under Section 402(g) of the IRC not to exceed the limits of Code Sections 401(k), 404 and 415. The Companies provide a matching contribution equal to 100% of the first 3% of the participant's gross compensation and 50% of the next 2% of gross compensation to the extent deferred. Participants that are at least 18 years of age and have provided 1,000 hours of service in 12 consecutive months are eligible to receive matching contributions. The participant contributions and the Companies matching contributions may be allocated to investments as the participant directs.

Vesting. Participants begin graduated vesting 20% after one year of service and are vested 100% in the Plan after five years for matching contributions prior to January 1, 2011. For matching contributions after January 1, 2011, participants are 100% vested.

Payment of Benefits. On retirement, death, disability or termination of service, a participant (or the participant's beneficiary in the event of death) may elect to receive a lump-sum or partial distribution equal to the participant's account balance.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 1 - PLAN DESCRIPTION (CONTINUED)

If a participant's account balance is less than \$5,000, their account may be distributed as soon as possible following a termination that entitles the participant to a distribution. Once a participant reaches the age of 73, there are minimum distribution requirements. A participant can also receive in-service distributions from their account balance if they reach the age of 59 ½.

Participant Accounts. Individual accounts are maintained for each of the Plan's participants to reflect the participant's contributions and related employer contributions, as well as the participant's share of the Plan's income and any related administrative expenses. Allocations of income and expenses are based on the proportion that each participant's account balance bears to the total of all participant account balances.

Participant Loans. A participant may borrow from his or her pre-tax account a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. All loans issued by the Plan must be repaid within five years except for loans used to purchase a primary residence for the participant. The loans are secured by the balance in the participant's account. Loans, plus interest, are repaid by means of payroll deduction. A fee related to administering a loan under the Plan may be deducted from the participant's account.

Forfeited Accounts. Forfeited nonvested accounts are used to offset employer matching contributions or administrative expenses. The amount of forfeitures used to offset administrative expenses was \$433 for 2023. There was \$597 of unallocated forfeitures as of December 31, 2023.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Use of Estimates

The accompanying financial statements are prepared on the accrual basis of accounting. The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates.

Investment contracts held by a defined contribution plan are required to be reported at contract value. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan.

Income Recognition

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

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by the investment advisor, trustee and custodian. See note 6 for more information. Participant notes receivable are valued at cost which approximates fair value. The contract value of the guaranteed investment contract is calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations.

Net Appreciation (Depreciation) in Fair Value of Investments

Net realized and unrealized appreciation (depreciation) is recorded in the accompanying statement of changes in net assets available for benefits as net appreciation in fair value of investments. Brokerage fees are added to the acquisition costs of assets purchased and subtracted from the proceeds of assets sold.

Risks and Uncertainties

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

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Companies and are therefore excluded from these financial statements. Investment-related expenses are included in net appreciation (depreciation) in fair value of investments. Administrative expenses of the plan are allocated to participant accounts.

Events Occurring After Reporting Date

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through the date of the accompanying Independent Auditor's Report, which is the date the financial statements were available to be issued.

NOTE 3 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEES AND INSURANCE COMPANIES

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. For the Plan year ending December 31, 2022 Prudential Bank and Trust, trustee, Prudential Retirement Insurance and Annuity Company, insurance company (through March, 2022) and Empower Annuity Insurance Company, insurance company (as of December, 2022 and for the period of April 1, 2022 through December 31, 2022), have certified that the investment assets, transactions, income and supplemental schedule is complete and accurate.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 3 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEES AND INSURANCE COMPANIES
(CONTINUED)

For the Plan year ending December 31, 2023 Prudential Bank and Trust (through March 2023) and Empower Trust Company, LLC (as of December 2023 and for the period of January 1, 2023 through December 31, 2023), the trustees, and Empower Annuity Insurance Company, insurance company, have certified that the investment assets, transactions, income and supplemental schedule is complete and accurate. The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

NOTE 4 - INVESTMENTS

There were no investments which were both acquired and disposed of within the respective plan year that are required to be disclosed.

NOTE 5 - INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan entered into an investment contract with Empower Annuity Insurance Company (Empower). Empower maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for Plan withdrawals and administrative expenses charged by Empower. The contract is included in the financial statements at contract value, (which represents contributions made under the contract, plus earnings, less withdrawals and administrative expenses) because it is fully benefit responsive. There are no reserves against contract value for credit risk of the contract issuer or otherwise. The average yield and crediting interest rates were 1.90% through June 2023 and 1.95% for the remainder of 2023. The crediting interest rate is based on an agreed-upon formula with the issuer, but cannot be less than zero.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include; (1) amendments to the Plan documents, (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events that cause a significant withdrawal from the Plan, (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA or (5) premature termination of the contract.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include; (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation or (4) a material amendment to the agreement without the consent of the issuer.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, establishes a framework for measuring 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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not considered to be active or financial statements for which all significant inputs are observable, either directly or indirectly.
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following tables present by level, within the fair value hierarchy, the Plan's investment assets at fair value, as of December 31:

<u>2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Other (1)</u>	<u>Total</u>
Mutual funds	\$ 14,683,534	\$ 0	\$ 0	\$ 0	\$ 14,683,534
Pooled separate accounts	0	0	0	5,137,491	5,137,491
Total assets at fair value	<u>\$ 14,683,534</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,137,491</u>	<u>\$ 19,821,025</u>
<u>2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Other (1)</u>	<u>Total</u>
Mutual funds	\$ 10,588,994	\$ 0	\$ 0	\$ 0	\$ 10,588,994
Pooled separate accounts	0	0	0	5,857,269	5,857,269
Total assets at fair value	<u>\$ 10,588,994</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,857,269</u>	<u>\$ 16,446,263</u>

(1) Certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented on the statements of net assets available for benefits.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 - FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds: Valued at the net asset value (NAV) of shares/units held by the Plan at year end.

Pooled separate accounts: Valued at the net asset value (NAV) of units held by the Plan at year end as provided by Empower and are not assigned a level in the fair value hierarchy. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying assets owned by the account net of investment management fees. The practical expedient is not used when it is determined to be probable that the investment will be sold for an amount different than the reported NAV.

The following table summarizes investments for which fair value is measured using the NAV per share as a practical expedient as of December 31, 2023 and 2022. There are no participant redemption restrictions for these investments.

<u>Investments</u>	<u>Fair Value</u>		<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
	<u>2023</u>	<u>2022</u>			
Pooled separate accounts	<u>\$5,137,491</u>	<u>\$5,857,269</u>	<u>NA</u>	<u>Daily</u>	<u>Daily</u>

NOTE 7 – PARTY-IN-INTEREST TRANSACTIONS

Investments in certain mutual funds, pooled separate accounts and a guaranteed income fund are managed by Prudential Bank and Trust (trustee, through March, 31 2023), Empower Trust Company (trustee for the period of April 1, 2023 through December 31, 2023) and Empower Annuity Insurance Company (recordkeeper and insurance company), as defined by the plan. Therefore, these transactions qualify as party-in-interest transactions. Administration fees were paid to the recordkeeper and investment advisor in the amounts of \$42,624 and \$35,000, respectively. The Plan also issues loans to participants that are secured by the vested balance of the participants' accounts. These transactions are party-in-interest transactions, which are exempt from prohibited transactions rules.

**SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022**

NOTE 8 - INCOME TAX STATUS

The Companies adopted a Prototype Non-Standardized Profit Sharing Plan with a cash or deferral arrangement which received a favorable opinion letter from the Internal Revenue Service (IRS) on June 28, 2023 which stated that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Companies believe that the Plan currently is designed and being operated in compliance with the applicable requirements of the IRC and that, therefore, the Plan qualifies under Section 401(a) and the related trust is tax-exempt as of December 31, 2023. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. generally accepted accounting principles 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 the IRS or Department of Labor. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2020.

NOTE 9 - PLAN TERMINATION

Although it has not expressed any interest to do so, the Companies have the right under the Plan to discontinue its contributions at any time, and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will receive the balance in their participant's account.

NOTE 10 – UNCERTAINTIES

As a result of the current global events, economic uncertainties have arisen which have resulted in significant volatility of financial markets. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

NOTE 11 – SUBSEQUENT EVENT

Effective July 1, 2024, the Plan was amended to include a provision that participants who become eligible to participate in the Plan after that date are subject to auto-enrollment in the Plan. Participants are auto-enrolled at a 3% deferral rate and are not subject to auto escalation.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 12 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Net assets available for benefits per the financial statements	\$26,677,579	\$23,232,364
Receivables:		
Employer contributions	<u>(13,908)</u>	<u>(10,307)</u>
Net assets available for benefits per the Form 5500	<u>\$26,663,671</u>	<u>\$23,222,057</u>

The following is a reconciliation of net increase in net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2023:

Net increase per the financial statements	\$ 3,445,215
Adjustment for employer contribution receivable	<u>(3,601)</u>
Net income per Form 5500	<u>\$ 3,441,614</u>

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
EIN: 38-2513133, Plan Number 001
Form 5500, Schedule H, Line 4i
Schedule of Assets Held
December 31, 2023

Identity of Issue Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value	Current Value
* Empower Annuity Insurance Company	Guaranteed Income Fund	<u>\$ 6,001,225</u>
<u>Mutual funds</u>		
* Prudential Mutual Funds	American Fund American Bal R6	713,477
* Prudential Mutual Funds	American Funds CP World G & I R6	471,616
* Prudential Mutual Funds	American Fund Europacific Growth R6	3,236,733
* Prudential Mutual Funds	Fidelity 500 Index Fund	1,277,382
* Prudential Mutual Funds	Fidelity Global Ex U.S. Index Fund	3,705
* Prudential Mutual Funds	Metropolitan West Total R	2,236,145
* Prudential Mutual Funds	Vanguard Small-Cap Value Fund	1,605,094
* Prudential Mutual Funds	Vanguard Value Index Fund	2,737,670
* Prudential Mutual Funds	Fidelity Small Cap Index	27,648
* Prudential Mutual Funds	Fidelity Mid Cap Index	293,368
* Prudential Mutual Funds	Vanguard Explorer Admiral	2,080,696
		<u>14,683,534</u>
<u>Pooled separate accounts</u>		
* Empower Annuity Insurance Company	Artisan Partners Mid Cap Growth Fund	1,104,907
* Empower Annuity Insurance Company	Large Cap Growth American Century Fund	3,880,408
* Empower Annuity Insurance Company	MCV Robeco Fund	6,221
* Empower Annuity Insurance Company	Real Estate/Cohen & Steers	145,955
		<u>5,137,491</u>
* Participant loans	4.25% to 9.50%	<u>841,421</u>
		<u><u>\$ 26,663,671</u></u>

* denotes party-in-interest

SRC AFFILIATED
PROFIT SHARING 401(K) PLAN
CLARE, MICHIGAN

FINANCIAL STATEMENTS
DECEMBER 31, 2023



WEINLANDER FITZHUGH
Certified Public Accountants & Advisors

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INDEPENDENT AUDITOR'S REPORT

September 17, 2024

Plan Administrator
SRC Affiliated Profit Sharing 401(k) Plan
Clare, Michigan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audits

We have performed audits of the accompanying financial statements of SRC Affiliated Profit Sharing 401(k) Plan ("the Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022 and the related statement of changes in net assets available for benefits for the year ended December 31, 2023 and the related notes to the financial statements.

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

Management has obtained certifications from qualified institutions as of December 31, 2023 and 2022, and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

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

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



WEINLANDER FITZHUGH

Certified Public Accountants & Advisors

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibility for the Audits of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with U.S. generally accepted auditing standards, we:

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

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

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

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 audits.



WEINLANDER FITZHUGH

Certified Public Accountants & Advisors

Other Matter - Supplemental Schedule Required by ERISA

The supplemental schedule of assets held at end of year as of December 31, 2023 is presented for the purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment 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 U.S. generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their 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 form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirement of ERISA Section 103(a)(3)(C).

Weinlander Fitzhugh
Bay City, Michigan

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Investments at fair value:			
Mutual funds		\$ 14,683,534	\$ 10,588,994
Pooled separate accounts		<u>5,137,491</u>	<u>5,857,269</u>
		19,821,025	16,446,263
Investments at contract value:			
Guaranteed income fund		6,001,225	5,961,892
Receivables:			
Employer contribution		13,908	10,307
Participant loans		<u>841,421</u>	<u>813,902</u>
Total Assets		<u><u>26,677,579</u></u>	<u><u>23,232,364</u></u>
	<u>LIABILITIES</u>		
Total Liabilities		<u>0</u>	<u>0</u>
Net Assets Available for Benefits		<u><u>\$26,677,579</u></u>	<u><u>\$ 23,232,364</u></u>

See accompanying notes to financial statements

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Statement of Changes in Net Assets
Available for Benefits
For the Year Ended December 31, 2023

ADDITIONS

Investment income:	
Net appreciation in the fair value of investments	\$ 2,955,060
Investment income	381,824
Interest income	112,747
	<u>3,449,631</u>
 Interest from participant loans	 <u>44,926</u>
 Contributions:	
Employee	1,114,065
Employer	513,308
Rollovers	250,555
	<u>1,877,928</u>
 Total additions	 <u>5,372,485</u>

DEDUCTIONS

Benefit payments	1,849,345
Administrative expenses	77,925
Total deductions	<u>1,927,270</u>
 Net increase	 3,445,215
 Net assets available for plan benefits:	
Beginning of year	<u>23,232,364</u>
 End of year	 <u>\$ 26,677,579</u>

See accompanying notes to financial statements

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 1 - PLAN DESCRIPTION

The following description of the SRC Affiliated Profit Sharing 401(k) Plan (Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

General. The Plan is a defined contribution plan established under the provision of Section 401(a) of the Internal Revenue Code (IRC), which includes a qualified cash or deferred arrangement as described in Section 401(k) of the IRC, for the benefit of eligible employees. All employees of StageRight Corporation, Rogers Athletic Co., Inc., Rogers Group, Inc., Filcon, Inc., World Sporting Goods, LLC, Tranquil Systems International, LLC, Rogers Group Trucking, LLC, Lunagen Labs, LLC, SRC Employee Resources, Inc. and Swarfworks, Inc. (Companies), are eligible to defer compensation immediately upon employment. Participants who have completed one year of service and are at least 18 years of age will share in the Companies matching contributions. Receipt of matching contributions will begin for eligible employees on the first day of the first and seventh months of every plan year depending on date of hire. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Plan Administration. The Plan is administered by the SRC Affiliated Profit Sharing 401(k) Plan Committee. The Plan's trustees, Prudential Bank & Trust (through March 2023), Empower Trust Company, LLC (as of December 31, 2023 and for the period of April 1, 2023 through December 31, 2023), and Empower Annuity Insurance Company of America (the insurance company) are responsible for the custody and management of the Plan's assets. The Plan is charged with management service fees based upon the value of the plan assets in accordance with the plan agreement. Such fees are treated as reductions of investment earnings and allocated accordingly.

Coronavirus Aid, Relief and Economic Security (CARES) Act. During 2020, the Plan implemented certain CARES Act provisions to allow for special coronavirus related distributions, an increase in Plan loan amounts, and waiver of 2020 required minimum distributions. The Plan was amended on January 16, 2024 to memorialize these changes.

Contributions. Eligible employees can contribute up to the maximum percentage of compensation and dollar amount permissible under Section 402(g) of the IRC not to exceed the limits of Code Sections 401(k), 404 and 415. The Companies provide a matching contribution equal to 100% of the first 3% of the participant's gross compensation and 50% of the next 2% of gross compensation to the extent deferred. Participants that are at least 18 years of age and have provided 1,000 hours of service in 12 consecutive months are eligible to receive matching contributions. The participant contributions and the Companies matching contributions may be allocated to investments as the participant directs.

Vesting. Participants begin graduated vesting 20% after one year of service and are vested 100% in the Plan after five years for matching contributions prior to January 1, 2011. For matching contributions after January 1, 2011, participants are 100% vested.

Payment of Benefits. On retirement, death, disability or termination of service, a participant (or the participant's beneficiary in the event of death) may elect to receive a lump-sum or partial distribution equal to the participant's account balance.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 1 - PLAN DESCRIPTION (CONTINUED)

If a participant's account balance is less than \$5,000, their account may be distributed as soon as possible following a termination that entitles the participant to a distribution. Once a participant reaches the age of 73, there are minimum distribution requirements. A participant can also receive in-service distributions from their account balance if they reach the age of 59 ½.

Participant Accounts. Individual accounts are maintained for each of the Plan's participants to reflect the participant's contributions and related employer contributions, as well as the participant's share of the Plan's income and any related administrative expenses. Allocations of income and expenses are based on the proportion that each participant's account balance bears to the total of all participant account balances.

Participant Loans. A participant may borrow from his or her pre-tax account a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. All loans issued by the Plan must be repaid within five years except for loans used to purchase a primary residence for the participant. The loans are secured by the balance in the participant's account. Loans, plus interest, are repaid by means of payroll deduction. A fee related to administering a loan under the Plan may be deducted from the participant's account.

Forfeited Accounts. Forfeited nonvested accounts are used to offset employer matching contributions or administrative expenses. The amount of forfeitures used to offset administrative expenses was \$433 for 2023. There was \$597 of unallocated forfeitures as of December 31, 2023.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Use of Estimates

The accompanying financial statements are prepared on the accrual basis of accounting. The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates.

Investment contracts held by a defined contribution plan are required to be reported at contract value. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan.

Income Recognition

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

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by the investment advisor, trustee and custodian. See note 6 for more information. Participant notes receivable are valued at cost which approximates fair value. The contract value of the guaranteed investment contract is calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations.

Net Appreciation (Depreciation) in Fair Value of Investments

Net realized and unrealized appreciation (depreciation) is recorded in the accompanying statement of changes in net assets available for benefits as net appreciation in fair value of investments. Brokerage fees are added to the acquisition costs of assets purchased and subtracted from the proceeds of assets sold.

Risks and Uncertainties

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

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Companies and are therefore excluded from these financial statements. Investment-related expenses are included in net appreciation (depreciation) in fair value of investments. Administrative expenses of the plan are allocated to participant accounts.

Events Occurring After Reporting Date

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through the date of the accompanying Independent Auditor's Report, which is the date the financial statements were available to be issued.

NOTE 3 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEES AND INSURANCE COMPANIES

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. For the Plan year ending December 31, 2022 Prudential Bank and Trust, trustee, Prudential Retirement Insurance and Annuity Company, insurance company (through March, 2022) and Empower Annuity Insurance Company, insurance company (as of December, 2022 and for the period of April 1, 2022 through December 31, 2022), have certified that the investment assets, transactions, income and supplemental schedule is complete and accurate.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 3 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEES AND INSURANCE COMPANIES
(CONTINUED)

For the Plan year ending December 31, 2023 Prudential Bank and Trust (through March 2023) and Empower Trust Company, LLC (as of December 2023 and for the period of January 1, 2023 through December 31, 2023), the trustees, and Empower Annuity Insurance Company, insurance company, have certified that the investment assets, transactions, income and supplemental schedule is complete and accurate. The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

NOTE 4 - INVESTMENTS

There were no investments which were both acquired and disposed of within the respective plan year that are required to be disclosed.

NOTE 5 - INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan entered into an investment contract with Empower Annuity Insurance Company (Empower). Empower maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for Plan withdrawals and administrative expenses charged by Empower. The contract is included in the financial statements at contract value, (which represents contributions made under the contract, plus earnings, less withdrawals and administrative expenses) because it is fully benefit responsive. There are no reserves against contract value for credit risk of the contract issuer or otherwise. The average yield and crediting interest rates were 1.90% through June 2023 and 1.95% for the remainder of 2023. The crediting interest rate is based on an agreed-upon formula with the issuer, but cannot be less than zero.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include; (1) amendments to the Plan documents, (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events that cause a significant withdrawal from the Plan, (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA or (5) premature termination of the contract.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include; (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation or (4) a material amendment to the agreement without the consent of the issuer.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, establishes a framework for measuring 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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not considered to be active or financial statements for which all significant inputs are observable, either directly or indirectly.
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following tables present by level, within the fair value hierarchy, the Plan's investment assets at fair value, as of December 31:

<u>2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Other (1)</u>	<u>Total</u>
Mutual funds	\$ 14,683,534	\$ 0	\$ 0	\$ 0	\$ 14,683,534
Pooled separate accounts	0	0	0	5,137,491	5,137,491
Total assets at fair value	<u>\$ 14,683,534</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,137,491</u>	<u>\$ 19,821,025</u>
<u>2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Other (1)</u>	<u>Total</u>
Mutual funds	\$ 10,588,994	\$ 0	\$ 0	\$ 0	\$ 10,588,994
Pooled separate accounts	0	0	0	5,857,269	5,857,269
Total assets at fair value	<u>\$ 10,588,994</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,857,269</u>	<u>\$ 16,446,263</u>

(1) Certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented on the statements of net assets available for benefits.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 - FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds: Valued at the net asset value (NAV) of shares/units held by the Plan at year end.

Pooled separate accounts: Valued at the net asset value (NAV) of units held by the Plan at year end as provided by Empower and are not assigned a level in the fair value hierarchy. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying assets owned by the account net of investment management fees. The practical expedient is not used when it is determined to be probable that the investment will be sold for an amount different than the reported NAV.

The following table summarizes investments for which fair value is measured using the NAV per share as a practical expedient as of December 31, 2023 and 2022. There are no participant redemption restrictions for these investments.

<u>Investments</u>	<u>Fair Value</u>		<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
	<u>2023</u>	<u>2022</u>			
Pooled separate accounts	<u>\$5,137,491</u>	<u>\$5,857,269</u>	<u>NA</u>	<u>Daily</u>	<u>Daily</u>

NOTE 7 – PARTY-IN-INTEREST TRANSACTIONS

Investments in certain mutual funds, pooled separate accounts and a guaranteed income fund are managed by Prudential Bank and Trust (trustee, through March, 31 2023), Empower Trust Company (trustee for the period of April 1, 2023 through December 31, 2023) and Empower Annuity Insurance Company (recordkeeper and insurance company), as defined by the plan. Therefore, these transactions qualify as party-in-interest transactions. Administration fees were paid to the recordkeeper and investment advisor in the amounts of \$42,624 and \$35,000, respectively. The Plan also issues loans to participants that are secured by the vested balance of the participants' accounts. These transactions are party-in-interest transactions, which are exempt from prohibited transactions rules.

**SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022**

NOTE 8 - INCOME TAX STATUS

The Companies adopted a Prototype Non-Standardized Profit Sharing Plan with a cash or deferral arrangement which received a favorable opinion letter from the Internal Revenue Service (IRS) on June 28, 2023 which stated that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Companies believe that the Plan currently is designed and being operated in compliance with the applicable requirements of the IRC and that, therefore, the Plan qualifies under Section 401(a) and the related trust is tax-exempt as of December 31, 2023. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. generally accepted accounting principles 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 the IRS or Department of Labor. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2020.

NOTE 9 - PLAN TERMINATION

Although it has not expressed any interest to do so, the Companies have the right under the Plan to discontinue its contributions at any time, and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will receive the balance in their participant's account.

NOTE 10 – UNCERTAINTIES

As a result of the current global events, economic uncertainties have arisen which have resulted in significant volatility of financial markets. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

NOTE 11 – SUBSEQUENT EVENT

Effective July 1, 2024, the Plan was amended to include a provision that participants who become eligible to participate in the Plan after that date are subject to auto-enrollment in the Plan. Participants are auto-enrolled at a 3% deferral rate and are not subject to auto escalation.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 12 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Net assets available for benefits per the financial statements	\$26,677,579	\$23,232,364
Receivables:		
Employer contributions	<u>(13,908)</u>	<u>(10,307)</u>
Net assets available for benefits per the Form 5500	<u>\$26,663,671</u>	<u>\$23,222,057</u>

The following is a reconciliation of net increase in net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2023:

Net increase per the financial statements	\$ 3,445,215
Adjustment for employer contribution receivable	<u>(3,601)</u>
Net income per Form 5500	<u>\$ 3,441,614</u>

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
EIN: 38-2513133, Plan Number 001
Form 5500, Schedule H, Line 4i
Schedule of Assets Held
December 31, 2023

Identity of Issue Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest <u>Collateral, Par or Maturity Value</u>	Current Value
* Empower Annuity Insurance Company	Guaranteed Income Fund	<u>\$ 6,001,225</u>
<u>Mutual funds</u>		
* Prudential Mutual Funds	American Fund American Bal R6	713,477
* Prudential Mutual Funds	American Funds CP World G & I R6	471,616
* Prudential Mutual Funds	American Fund Europacific Growth R6	3,236,733
* Prudential Mutual Funds	Fidelity 500 Index Fund	1,277,382
* Prudential Mutual Funds	Fidelity Global Ex U.S. Index Fund	3,705
* Prudential Mutual Funds	Metropolitan West Total R	2,236,145
* Prudential Mutual Funds	Vanguard Small-Cap Value Fund	1,605,094
* Prudential Mutual Funds	Vanguard Value Index Fund	2,737,670
* Prudential Mutual Funds	Fidelity Small Cap Index	27,648
* Prudential Mutual Funds	Fidelity Mid Cap Index	293,368
* Prudential Mutual Funds	Vanguard Explorer Admiral	2,080,696
		<u>14,683,534</u>
<u>Pooled separate accounts</u>		
* Empower Annuity Insurance Company	Artisan Partners Mid Cap Growth Fund	1,104,907
* Empower Annuity Insurance Company	Large Cap Growth American Century Fund	3,880,408
* Empower Annuity Insurance Company	MCV Robeco Fund	6,221
* Empower Annuity Insurance Company	Real Estate/Cohen & Steers	145,955
		<u>5,137,491</u>
* Participant loans	4.25% to 9.50%	<u>841,421</u>
		<u><u>\$ 26,663,671</u></u>

* denotes party-in-interest

SRC AFFILIATED
PROFIT SHARING 401(K) PLAN
CLARE, MICHIGAN

FINANCIAL STATEMENTS
DECEMBER 31, 2023



WEINLANDER FITZHUGH
Certified Public Accountants & Advisors

I N D E X

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INDEPENDENT AUDITOR'S REPORT

September 17, 2024

Plan Administrator
SRC Affiliated Profit Sharing 401(k) Plan
Clare, Michigan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audits

We have performed audits of the accompanying financial statements of SRC Affiliated Profit Sharing 401(k) Plan ("the Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022 and the related statement of changes in net assets available for benefits for the year ended December 31, 2023 and the related notes to the financial statements.

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

Management has obtained certifications from qualified institutions as of December 31, 2023 and 2022, and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

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

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



WEINLANDER FITZHUGH

Certified Public Accountants & Advisors

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibility for the Audits of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with U.S. generally accepted auditing standards, we:

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

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

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

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 audits.



WEINLANDER FITZHUGH

Certified Public Accountants & Advisors

Other Matter - Supplemental Schedule Required by ERISA

The supplemental schedule of assets held at end of year as of December 31, 2023 is presented for the purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment 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 U.S. generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their 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 form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirement of ERISA Section 103(a)(3)(C).

Weinlander Fitzhugh
Bay City, Michigan

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Investments at fair value:			
Mutual funds		\$ 14,683,534	\$ 10,588,994
Pooled separate accounts		<u>5,137,491</u>	<u>5,857,269</u>
		19,821,025	16,446,263
Investments at contract value:			
Guaranteed income fund		6,001,225	5,961,892
Receivables:			
Employer contribution		13,908	10,307
Participant loans		<u>841,421</u>	<u>813,902</u>
Total Assets		<u><u>26,677,579</u></u>	<u><u>23,232,364</u></u>
	<u>LIABILITIES</u>		
Total Liabilities		<u>0</u>	<u>0</u>
Net Assets Available for Benefits		<u><u>\$26,677,579</u></u>	<u><u>\$ 23,232,364</u></u>

See accompanying notes to financial statements

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Statement of Changes in Net Assets
Available for Benefits
For the Year Ended December 31, 2023

ADDITIONS

Investment income:

Net appreciation in the fair value of investments	\$ 2,955,060
Investment income	381,824
Interest income	112,747
	<u>3,449,631</u>

Interest from participant loans	<u>44,926</u>
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Contributions:

Employee	1,114,065
Employer	513,308
Rollovers	250,555
	<u>1,877,928</u>

Total additions	<u>5,372,485</u>
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DEDUCTIONS

Benefit payments	1,849,345
Administrative expenses	77,925
Total deductions	<u>1,927,270</u>

Net increase	3,445,215
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Net assets available for plan benefits:

Beginning of year	<u>23,232,364</u>
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End of year	<u><u>\$ 26,677,579</u></u>
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See accompanying notes to financial statements

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 1 - PLAN DESCRIPTION

The following description of the SRC Affiliated Profit Sharing 401(k) Plan (Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

General. The Plan is a defined contribution plan established under the provision of Section 401(a) of the Internal Revenue Code (IRC), which includes a qualified cash or deferred arrangement as described in Section 401(k) of the IRC, for the benefit of eligible employees. All employees of StageRight Corporation, Rogers Athletic Co., Inc., Rogers Group, Inc., Filcon, Inc., World Sporting Goods, LLC, Tranquil Systems International, LLC, Rogers Group Trucking, LLC, Lunagen Labs, LLC, SRC Employee Resources, Inc. and Swarfworks, Inc. (Companies), are eligible to defer compensation immediately upon employment. Participants who have completed one year of service and are at least 18 years of age will share in the Companies matching contributions. Receipt of matching contributions will begin for eligible employees on the first day of the first and seventh months of every plan year depending on date of hire. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Plan Administration. The Plan is administered by the SRC Affiliated Profit Sharing 401(k) Plan Committee. The Plan's trustees, Prudential Bank & Trust (through March 2023), Empower Trust Company, LLC (as of December 31, 2023 and for the period of April 1, 2023 through December 31, 2023), and Empower Annuity Insurance Company of America (the insurance company) are responsible for the custody and management of the Plan's assets. The Plan is charged with management service fees based upon the value of the plan assets in accordance with the plan agreement. Such fees are treated as reductions of investment earnings and allocated accordingly.

Coronavirus Aid, Relief and Economic Security (CARES) Act. During 2020, the Plan implemented certain CARES Act provisions to allow for special coronavirus related distributions, an increase in Plan loan amounts, and waiver of 2020 required minimum distributions. The Plan was amended on January 16, 2024 to memorialize these changes.

Contributions. Eligible employees can contribute up to the maximum percentage of compensation and dollar amount permissible under Section 402(g) of the IRC not to exceed the limits of Code Sections 401(k), 404 and 415. The Companies provide a matching contribution equal to 100% of the first 3% of the participant's gross compensation and 50% of the next 2% of gross compensation to the extent deferred. Participants that are at least 18 years of age and have provided 1,000 hours of service in 12 consecutive months are eligible to receive matching contributions. The participant contributions and the Companies matching contributions may be allocated to investments as the participant directs.

Vesting. Participants begin graduated vesting 20% after one year of service and are vested 100% in the Plan after five years for matching contributions prior to January 1, 2011. For matching contributions after January 1, 2011, participants are 100% vested.

Payment of Benefits. On retirement, death, disability or termination of service, a participant (or the participant's beneficiary in the event of death) may elect to receive a lump-sum or partial distribution equal to the participant's account balance.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 1 - PLAN DESCRIPTION (CONTINUED)

If a participant's account balance is less than \$5,000, their account may be distributed as soon as possible following a termination that entitles the participant to a distribution. Once a participant reaches the age of 73, there are minimum distribution requirements. A participant can also receive in-service distributions from their account balance if they reach the age of 59 ½.

Participant Accounts. Individual accounts are maintained for each of the Plan's participants to reflect the participant's contributions and related employer contributions, as well as the participant's share of the Plan's income and any related administrative expenses. Allocations of income and expenses are based on the proportion that each participant's account balance bears to the total of all participant account balances.

Participant Loans. A participant may borrow from his or her pre-tax account a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. All loans issued by the Plan must be repaid within five years except for loans used to purchase a primary residence for the participant. The loans are secured by the balance in the participant's account. Loans, plus interest, are repaid by means of payroll deduction. A fee related to administering a loan under the Plan may be deducted from the participant's account.

Forfeited Accounts. Forfeited nonvested accounts are used to offset employer matching contributions or administrative expenses. The amount of forfeitures used to offset administrative expenses was \$433 for 2023. There was \$597 of unallocated forfeitures as of December 31, 2023.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Use of Estimates

The accompanying financial statements are prepared on the accrual basis of accounting. The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates.

Investment contracts held by a defined contribution plan are required to be reported at contract value. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan.

Income Recognition

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

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by the investment advisor, trustee and custodian. See note 6 for more information. Participant notes receivable are valued at cost which approximates fair value. The contract value of the guaranteed investment contract is calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations.

Net Appreciation (Depreciation) in Fair Value of Investments

Net realized and unrealized appreciation (depreciation) is recorded in the accompanying statement of changes in net assets available for benefits as net appreciation in fair value of investments. Brokerage fees are added to the acquisition costs of assets purchased and subtracted from the proceeds of assets sold.

Risks and Uncertainties

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

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Companies and are therefore excluded from these financial statements. Investment-related expenses are included in net appreciation (depreciation) in fair value of investments. Administrative expenses of the plan are allocated to participant accounts.

Events Occurring After Reporting Date

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through the date of the accompanying Independent Auditor's Report, which is the date the financial statements were available to be issued.

NOTE 3 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEES AND INSURANCE COMPANIES

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. For the Plan year ending December 31, 2022 Prudential Bank and Trust, trustee, Prudential Retirement Insurance and Annuity Company, insurance company (through March, 2022) and Empower Annuity Insurance Company, insurance company (as of December, 2022 and for the period of April 1, 2022 through December 31, 2022), have certified that the investment assets, transactions, income and supplemental schedule is complete and accurate.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 3 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEES AND INSURANCE COMPANIES
(CONTINUED)

For the Plan year ending December 31, 2023 Prudential Bank and Trust (through March 2023) and Empower Trust Company, LLC (as of December 2023 and for the period of January 1, 2023 through December 31, 2023), the trustees, and Empower Annuity Insurance Company, insurance company, have certified that the investment assets, transactions, income and supplemental schedule is complete and accurate. The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

NOTE 4 - INVESTMENTS

There were no investments which were both acquired and disposed of within the respective plan year that are required to be disclosed.

NOTE 5 - INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan entered into an investment contract with Empower Annuity Insurance Company (Empower). Empower maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for Plan withdrawals and administrative expenses charged by Empower. The contract is included in the financial statements at contract value, (which represents contributions made under the contract, plus earnings, less withdrawals and administrative expenses) because it is fully benefit responsive. There are no reserves against contract value for credit risk of the contract issuer or otherwise. The average yield and crediting interest rates were 1.90% through June 2023 and 1.95% for the remainder of 2023. The crediting interest rate is based on an agreed-upon formula with the issuer, but cannot be less than zero.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include; (1) amendments to the Plan documents, (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events that cause a significant withdrawal from the Plan, (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA or (5) premature termination of the contract.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include; (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation or (4) a material amendment to the agreement without the consent of the issuer.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, establishes a framework for measuring 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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not considered to be active or financial statements for which all significant inputs are observable, either directly or indirectly.
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following tables present by level, within the fair value hierarchy, the Plan's investment assets at fair value, as of December 31:

<u>2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Other (1)</u>	<u>Total</u>
Mutual funds	\$ 14,683,534	\$ 0	\$ 0	\$ 0	\$ 14,683,534
Pooled separate accounts	0	0	0	5,137,491	5,137,491
Total assets at fair value	<u>\$ 14,683,534</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,137,491</u>	<u>\$ 19,821,025</u>
 <u>2022</u>	 <u>Level 1</u>	 <u>Level 2</u>	 <u>Level 3</u>	 <u>Other (1)</u>	 <u>Total</u>
Mutual funds	\$ 10,588,994	\$ 0	\$ 0	\$ 0	\$ 10,588,994
Pooled separate accounts	0	0	0	5,857,269	5,857,269
Total assets at fair value	<u>\$ 10,588,994</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,857,269</u>	<u>\$ 16,446,263</u>

(1) Certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented on the statements of net assets available for benefits.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 - FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds: Valued at the net asset value (NAV) of shares/units held by the Plan at year end.

Pooled separate accounts: Valued at the net asset value (NAV) of units held by the Plan at year end as provided by Empower and are not assigned a level in the fair value hierarchy. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying assets owned by the account net of investment management fees. The practical expedient is not used when it is determined to be probable that the investment will be sold for an amount different than the reported NAV.

The following table summarizes investments for which fair value is measured using the NAV per share as a practical expedient as of December 31, 2023 and 2022. There are no participant redemption restrictions for these investments.

<u>Investments</u>	<u>Fair Value</u>		<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
	<u>2023</u>	<u>2022</u>			
Pooled separate accounts	<u>\$5,137,491</u>	<u>\$5,857,269</u>	<u>NA</u>	<u>Daily</u>	<u>Daily</u>

NOTE 7 – PARTY-IN-INTEREST TRANSACTIONS

Investments in certain mutual funds, pooled separate accounts and a guaranteed income fund are managed by Prudential Bank and Trust (trustee, through March, 31 2023), Empower Trust Company (trustee for the period of April 1, 2023 through December 31, 2023) and Empower Annuity Insurance Company (recordkeeper and insurance company), as defined by the plan. Therefore, these transactions qualify as party-in-interest transactions. Administration fees were paid to the recordkeeper and investment advisor in the amounts of \$42,624 and \$35,000, respectively. The Plan also issues loans to participants that are secured by the vested balance of the participants' accounts. These transactions are party-in-interest transactions, which are exempt from prohibited transactions rules.

**SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022**

NOTE 8 - INCOME TAX STATUS

The Companies adopted a Prototype Non-Standardized Profit Sharing Plan with a cash or deferral arrangement which received a favorable opinion letter from the Internal Revenue Service (IRS) on June 28, 2023 which stated that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Companies believe that the Plan currently is designed and being operated in compliance with the applicable requirements of the IRC and that, therefore, the Plan qualifies under Section 401(a) and the related trust is tax-exempt as of December 31, 2023. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. generally accepted accounting principles 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 the IRS or Department of Labor. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2020.

NOTE 9 - PLAN TERMINATION

Although it has not expressed any interest to do so, the Companies have the right under the Plan to discontinue its contributions at any time, and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will receive the balance in their participant's account.

NOTE 10 – UNCERTAINTIES

As a result of the current global events, economic uncertainties have arisen which have resulted in significant volatility of financial markets. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

NOTE 11 – SUBSEQUENT EVENT

Effective July 1, 2024, the Plan was amended to include a provision that participants who become eligible to participate in the Plan after that date are subject to auto-enrollment in the Plan. Participants are auto-enrolled at a 3% deferral rate and are not subject to auto escalation.

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 12 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Net assets available for benefits per the financial statements	\$26,677,579	\$23,232,364
Receivables:		
Employer contributions	<u>(13,908)</u>	<u>(10,307)</u>
Net assets available for benefits per the Form 5500	<u>\$26,663,671</u>	<u>\$23,222,057</u>

The following is a reconciliation of net increase in net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2023:

Net increase per the financial statements	\$ 3,445,215
Adjustment for employer contribution receivable	<u>(3,601)</u>
Net income per Form 5500	<u>\$ 3,441,614</u>

SRC AFFILIATED
PROFIT SHARING 401(k) PLAN
EIN: 38-2513133, Plan Number 001
Form 5500, Schedule H, Line 4i
Schedule of Assets Held
December 31, 2023

Identity of Issue Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value	Current Value
* Empower Annuity Insurance Company	Guaranteed Income Fund	\$ 6,001,225
<u>Mutual funds</u>		
* Prudential Mutual Funds	American Fund American Bal R6	713,477
* Prudential Mutual Funds	American Funds CP World G & I R6	471,616
* Prudential Mutual Funds	American Fund Europacific Growth R6	3,236,733
* Prudential Mutual Funds	Fidelity 500 Index Fund	1,277,382
* Prudential Mutual Funds	Fidelity Global Ex U.S. Index Fund	3,705
* Prudential Mutual Funds	Metropolitan West Total R	2,236,145
* Prudential Mutual Funds	Vanguard Small-Cap Value Fund	1,605,094
* Prudential Mutual Funds	Vanguard Value Index Fund	2,737,670
* Prudential Mutual Funds	Fidelity Small Cap Index	27,648
* Prudential Mutual Funds	Fidelity Mid Cap Index	293,368
* Prudential Mutual Funds	Vanguard Explorer Admiral	2,080,696
		<u>14,683,534</u>
<u>Pooled separate accounts</u>		
* Empower Annuity Insurance Company	Artisan Partners Mid Cap Growth Fund	1,104,907
* Empower Annuity Insurance Company	Large Cap Growth American Century Fund	3,880,408
* Empower Annuity Insurance Company	MCV Robeco Fund	6,221
* Empower Annuity Insurance Company	Real Estate/Cohen & Steers	145,955
		<u>5,137,491</u>
* Participant loans	4.25% to 9.50%	841,421
		<u>\$ 26,663,671</u>

* denotes party-in-interest