

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
--	---	---

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 JUNESHINE 401(K) PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 01/01/2020
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) JUNESHINE, INC. 10051 OLD GROVE RD SAN DIEGO, CA 92131-1654
2b	Employer Identification Number (EIN) 82-3597488
2c	Plan Sponsor's telephone number 310-283-6980
2d	Business code (see instructions) 311900

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.	10/10/2024	QIAN LIU
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☐ Same as Plan Sponsor GUIDELINE, INC. 1412 CHAPIN AVENUE BURLINGAME, CA 94010	3b Administrator's EIN 47-4474775 3c Administrator's telephone number 888-228-3491
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	5 204
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) 155 6a(2) 152 6b 0 6c 100 6d 252 6e 0 6f 252 6g(1) 201 6g(2) 245 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:

2E 2F 2G 2J 2K 2S 2T 3D

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (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 _____
- (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 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 JUNESHINE 401(K) PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 JUNESHINE, INC.	D Employer Identification Number (EIN) 82-3597488

Part I

Service Provider Information (see instructions)

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

1

Information on Persons Receiving Only Eligible Indirect Compensation

- a

Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).....

Yes

x

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

(b)

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

(b)

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

(b)

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

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

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

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

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

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

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

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

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

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)

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

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

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

(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 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 JUNESHINE 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 JUNESHINE, INC.		
D Employer Identification Number (EIN) 82-3597488		

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	2489	4866
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)	3822	0
(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)	6479	1560
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	1787724	2802851
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(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	1800514	2809277
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	1800514	2809277

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)	328049	
(B) Participants	2a(1)(B)	496496	
(C) Others (including rollovers)	2a(1)(C)	72544	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		897089
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)	319	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		319
(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)	62580	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		62580
(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)		
(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)		319004
c Other income	2c		-130
d Total income. Add all income amounts in column (b) and enter total	2d		1278862

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	265819	
(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)		265819
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Recordkeeping fees.....	2i(3)	2468	
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees	2i(5)	1812	
(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)	0	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		4280
j Total expenses. Add all expense amounts in column (b) and enter total	2j		270099

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1008763
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: **HASKELL & WHITE LLP**

(2) EIN: **33-0310569**

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.)	☒	☐	31135
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.)	☐	☒	0
e Was this plan covered by a fidelity bond?	☒	☐	275000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	☐	☒	0
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?	☐	☒	0
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 JUNESHINE 401(K) PLAN				B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 JUNESHINE, INC.				D Employer Identification Number (EIN) 82-3597488	
Part I Distributions					
All references to distributions relate only to payments of benefits during the plan year.					
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....				1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-3581074					
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.					
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year				3	
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)					
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.					
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.					
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)				6a	
b Enter the amount contributed by the employer to the plan for this plan year.....				6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)				6c	
If you completed line 6c, skip lines 8 and 9.					
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A					
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A					
Part III Amendments					
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ☐ Increase ☐ Decrease ☐ Both ☐ No					
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.					
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No					
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No					
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No					
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No					
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.				Schedule R (Form 5500) 2023 v. 230707	

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:		
a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment)	14a	
b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14c	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

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

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

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

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

19 If the total number of participants is 1,000 or more, complete lines (a) 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 11 / 18 / 2020 (MM/DD/YYYY) and the Opinion Letter serial number Q704210A.

*Financial Statements and Supplemental Schedules
(With Independent Auditors' Report)*

JuneShine 401(k) Plan

*As of December 31, 2023 and 2022 and
for the Year Ended December 31, 2023*

JuneShine 401(K) PLAN

TABLE OF CONTENTS

	Page
Independent Auditors' Report	
Financial Statements	
Statements of Net Assets Available for Plan Benefits as of December 31, 2023 and 2022	5
Statement of Changes in Net Assets Available for Benefits for the Year Ended December 31, 2023	6
Notes to Financial Statements	7
Supplemental Schedule	
Schedule H – Part IV, Line 4(a) – Schedule of Delinquent Contributions as of December 31, 2023	15
Schedule H, Part IV, Line 4(i) - Schedule of Assets (Held at End of Year) as of December 31, 2023	16
Other schedules are omitted because they are not applicable or are not required disclosures under the Employee Retirement Income Security Act of 1974 and regulations issued by the Department of Labor.	

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator
JuneShine 401(k) Plan

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

We have performed audits of the accompanying financial statements of JuneShine 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 JuneShine 401(k) 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 a certification from a qualified institution 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 Auditors' 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 accounting principles generally accepted in the United States of America.
- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of JuneShine 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about JuneShine 401(k) 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.

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 accounting principles generally accepted in the United States of America.

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

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

Other Matter - Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule H, Part IV, Line 4(a) – Schedule of Delinquent Participant Contributions and Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) for the year ended December 31, 2023 are presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audits of the

INDEPENDENT AUDITORS' REPORT (CONTINUED)

financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

A handwritten signature in blue ink, appearing to read "Haskell & White LLP", is positioned above the firm's name.

HASKELL & WHITE LLP

Irvine, California
October 9, 2024

JuneShine 401(K) PLAN

**Statements of Net Assets Available for Plan Benefits
As of December 31, 2023 and 2022**

ASSETS	2023	2022
Investments at fair value		
Cash	\$ 4,866	\$ 2,489
Mutual funds	2,802,851	1,791,546
Total investments at fair value	2,807,717	1,794,035
Receivables		
Employer contributions receivable	15,195	-
Notes receivable from participants	1,560	6,479
Total receivables	16,755	6,479
Net assets available for plan benefits	\$ 2,824,472	\$ 1,800,514

See accompanying notes to financial statements and independent auditors' report.

JuneShine 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 fair value of investments	\$ 319,004
Interest and dividends	62,450
Total investment income	381,454
Interest income on notes receivable from participants	319
Contributions	
Employer	343,244
Participants	496,496
Participant rollovers	72,544
Total contributions	912,284
Total additions	1,294,057

Deductions:

Benefits paid to participants	265,819
Administrative expenses	4,280
Total deductions	270,099
Net increase in net assets available for plan benefits	1,023,958
Net assets available for plan benefits - beginning of year	1,800,514
Net assets available for plan benefits - end of year	\$ 2,824,472

See accompanying notes to financial statements and independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements December 31, 2023 and 2022

1. Description of the Plan

The following description of the JuneShine 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

General

The Plan is a defined contribution plan established effective January 1, 2020 for the benefit of eligible employees of JuneShine, Inc. (the “Company”). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). Guideline, Inc. (“Guideline”) is the third party administrator and Benefit Trust Company is the asset custodian and trustee of the Plan. Participants may direct their contributions into various investment options offered by the Plan. The Plan is administered by the chief financial officer of JuneShine, Inc., the Plan Sponsor.

Eligibility

Employees who are at least 21 years of age are eligible to participate in the Plan. Qualifying employees may make elective deferrals to the Plan effective as of 3 months of service.

Contributions

Each year, participants may elect to contribute up to 100% of their compensation to the Plan, not to exceed limits established by the Internal Revenue Code (the “Code”) (\$22,500 in 2023). Participants may also contribute amounts representing distributions from other qualified plans (e.g., rollover contributions). Participants who have attained age 50 prior to the end of a plan year are eligible to make pre-tax catch-up contributions to the Plan. During 2023, a participant’s catch-up contributions for the plan year may not exceed \$7,500. Such contributions are excluded from the participant’s taxable income for federal income tax purposes until received as a withdrawal or distribution from the Plan. Unless participants affirmatively elect otherwise, eligible employees are subject to the Plan’s automatic enrollment provision at 1% of eligible compensation.

The Company will make an enhanced safe harbor matching contribution equal to 100% of employees contributions up to 4% of eligible compensation. All contributing participants will receive the matching contribution on the first day of the pay period after or coincident with the day three months of service is met. The matching contribution is paid each pay period. All Company contributions are invested in the same manner that the participant directs their investments. For the year ended December 31, 2023, the Company made matching contributions totaling \$343,244 to the Plan.

The Company may also make an annual discretionary profit-sharing contribution. No discretionary profit-sharing contributions were made during 2023.

See independent auditors’ report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

1. Description of the Plan (continued)

Participant accounts

Individual accounts are maintained for each participant. Each participant's account is credited with the participant's pretax contributions and allocations of (a) Company matching contributions, when applicable, (b) investment earnings or losses, and (c) charged with withdrawals and an allocation of Plan transaction fees. Allocations are based on participant investment selections. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Vesting

Participants are immediately 100% vested in their voluntary salary contributions and rollover contributions, employer safe harbor matching contributions, and the actual earnings (losses) thereon. In addition, upon death, disability, or retirement (later of age 59½ or fifth anniversary of the participant's employment commencement date), participants will immediately become 100% vested in their share of the Company's discretionary contributions and the actual earnings (losses) thereon.

Employer discretionary profit-sharing contributions vest at a rate of 25% each year over four years.

Forfeitures

Forfeitures are the portion of the Company's discretionary profit-sharing contributions that are lost by a participant who terminates employment prior to becoming fully vested under the Plan's vesting schedule. Forfeited amounts are held by the Plan and are used to offset future Company contributions or to pay any administrative expenses of the Plan.

Notes receivable from participants

Participants may elect to borrow a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance, reduced by the highest outstanding participant note balance in the preceding one-year period. Notes receivable from participants are secured by the balances in the respective participants' accounts. Terms of notes receivable from participants range from one to five years, unless used to acquire the participant's principal residence, in which case the term may be extended up to 10 years. The notes receivable from participants bear a fixed interest rate of the Prime Rate plus 1%. Interest rates on notes receivable from participants outstanding as of December 31, 2023 was 8%.

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

1. Description of the Plan (continued)

Benefits

On termination of service due to death, disability, or retirement, a participant (or their beneficiary) may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or installments over a specified period of time. Upon reaching age 59½, participants may make in-service withdrawals of part or all of their vested account balance, including the related earnings.

Hardship withdrawals

Participants who are still employed by the Company are permitted to take withdrawals from their accounts under certain financial hardship conditions, as described in the Plan document.

Administrative expenses

At the Company's discretion, administrative expenses of the Plan may be paid directly by the Company; certain other administrative expenses may be paid by the Plan. Expenses that are paid by the Company are excluded from the accompanying financial statements. Fees related to the administration of notes receivable from participants are charged directly to the related participants' accounts and are included in administrative expenses in the accompanying statement of changes in net assets available for plan benefits. In addition, certain investment related expenses are offset against net appreciation (or included in net depreciation) in the fair value of investments in the accompanying statement of changes in net assets available for plan benefits.

2. Summary of Significant Accounting Policies

Basis of accounting

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

Use of estimates

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

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

2. Summary of Significant Accounting Policies (continued)

Investment valuation

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The plan administrator determines the Plan's valuation policies utilizing information provided by the Plan's trustee and investment adviser. See Note 4 for discussion of fair value measurements.

Investment income recognition

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

Notes receivable from participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2023. If a participant ceases to make loan repayments and the plan administrator deems the note receivable to be in default, the note receivable balance is reduced, and a benefit payment is recorded as a deemed distribution.

Payment of benefits

Benefits are recorded when paid.

3. Information Prepared and Certified by the Trustee

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. Accordingly, the following information included in the accompanying financial statements, notes, and supplemental schedules was obtained from data that was prepared and certified to as complete and accurate by the trustee and has not been audited by the Plan's independent auditors:

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

3. Information Prepared and Certified by the Trustee (continued)

- Investments
- Notes receivable from participants
- Net appreciation in fair value of investments
- Interest and dividends
- Interest income on notes receivable from participants
- Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

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

4. Fair Value Measurements

GAAP defines fair value, establishes a framework for measuring fair value, and requires certain disclosures about fair value measurements. The hierarchy of fair value valuation techniques under GAAP provides for three levels: Level 1 provides the most reliable measure of fair value, whereas Level 3, if applicable, generally would require significant management judgment. The three levels for categorizing assets and liabilities under GAAP's fair value measurement requirements are 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: Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or comparable assets or liabilities.
- Level 3: Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models, and similar techniques, and not based on market exchange, dealer or broker traded transactions. These valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

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

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

4. Fair Value Measurements (continued)

The following is a description of the valuation methodologies used for the Plan's assets measured at fair value.

Mutual funds – The fair value of mutual funds is based on the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded and measured as Level 1 assets in the fair value framework.

5. Party-In-Interest

A party-in-interest is defined as a fiduciary or employee of the Plan, any person who provides service to the Plan, a company whose employees are covered by the Plan, a person who owns 50% or more of such an employer or employee organization, or a relative of such persons mentioned.

Certain expenses of the Plan are paid by the Company and certain administrative functions are performed by employees of the Company without compensation from the Plan. Notes receivable from participants and the related interest income are also considered party-in-interest transactions. These transactions qualify as permitted party-in-interest transactions.

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of the Plan's termination, participants would become 100% vested in their accounts.

7. Reconciliation of Financial Statements to Schedule H of Form 5500

Certain information contained in the accompanying financial statements does not agree to the information contained in the Form 5500 as of December 31, 2023, and for the year then ended, primarily because of timing differences.

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

7. Reconciliation of Financial Statements to Schedule H of Form 5500 (continued)

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

Net assets available for benefits per Form 5500	\$ 2,809,277
Plus: employer contributions receivable	<u>15,195</u>
Net assets available for benefits per the financial statements	<u>\$ 2,824,472</u>

The following is a reconciliation of employer contributions for the year ended December 31, 2023, per the Form 5500 to the accompanying financial statements:

Employer contributions per Form 5500	\$ 328,049
Plus: employer contributions receivable	<u>15,195</u>
Employer contributions per the financial statements	<u>\$ 343,244</u>

8. Tax Status

GAAP requires the plan administrator 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. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2023, there were no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the accompanying financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

9. Risks and Uncertainties

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

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

10. Prohibited or Non-Exempt Transactions

For the year ended December 31, 2023, the Company transferred employee contributions, including loan repayments, of \$31,135 into the Plan after what was considered a reasonable period of time. These delinquent contributions are considered nonexempt prohibited transactions under the regulations of the Department of Labor. The Plan and/or the Plan sponsor may be subject to various fines, penalties and interest. Management is currently in the process of researching these matters, as well as the necessary actions to remediate these remaining issues. The accompanying financial statements do not include any accruals or provisions related to the outcome of this uncertainty.

During the fiscal year ended December 31, 2023, the Company identified that it failed to make contributions to the 401(k) plan for certain eligible earnings. The missed contributions related to employee contributions and employer match, including lost earnings, amounted to \$15,195. The Company has taken corrective actions to address this issue, including making the missed contributions along with any applicable earnings to the affected employees' accounts in July and August 2024.

The Company has also implemented additional controls to ensure timely contributions in the future. The financial impact of this correction has been reflected in the accompanying financial statements.

11. Subsequent Events

The plan administrator has evaluated, for potential recognition or disclosure in the financial statements, subsequent events that have occurred through October 9, 2024 which is the date that the financial statements were available to be issued.

In early 2024, the Plan transitioned from a safe harbor 401(k) plan to a traditional 401(k) plan structure due to a reduction in the employer matching contributions, which no longer met the safe harbor requirements. The contribution rate was restored to its previous amount in May 2024, and the Plan is anticipated to return to a safe harbor status as soon as legally permissible. As a result of this transition, the Plan will no longer be exempt from certain nondiscrimination testing requirements in 2024 that were previously waived under the safe harbor provisions. The effects of this transition on the Plan's compliance and financial performance will be evaluated in subsequent periods.

See independent auditors' report.

Supplemental Schedules

JuneShine 401(K) PLAN

**Schedule H – Part IV, Line 4(a) – Schedule of Delinquent Contributions as of
December 31, 2023**

EIN: 82-3597488 Plan Number: 001

Participant Contributions Transferred Late to Plan \$ 31,135	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51 \$ -
Check here if Late Participant Loan Repayments are included: ☒ X	Contributions Not Corrected \$ 31,135	Contributions Corrected Outside VFCP \$ -	Contributions Pending Correction in VFCP \$ -	

See accompanying notes to financial statements and independent auditors' report.

JuneShine 401(K) PLAN

Schedule H, Part IV, Line 4(i) - Schedule of Assets (Held at End of Year) as of December 31, 2023

EIN: 82-3597488 Plan Number: 001

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment	Cost	Current Value
	The Vanguard Group, Inc.	Vanguard Total Stock Market Index	**	\$ 1,261,768
	The Vanguard Group, Inc.	Vanguard Developed Markets Index	**	542,877
	The Vanguard Group, Inc.	Vanguard Total Bond Market Index	**	372,083
	The Vanguard Group, Inc.	Vanguard Emerging Markets Stock Index	**	267,970
	The Vanguard Group, Inc.	Vanguard Total International Bond Index	**	135,455
	The Vanguard Group, Inc.	Vanguard Real Estate Index	**	133,647
	The Vanguard Group, Inc.	Vanguard 500 Index	**	45,550
	The Vanguard Group, Inc.	Vanguard Federal Money Market	**	34,621
	The Vanguard Group, Inc.	Vanguard Growth Index	**	6,657
	Non-interest bearing cash	Cash	**	4,866
	The Vanguard Group, Inc.	Vanguard Inflation Protected Securities	**	2,223
				<u>2,807,717</u>
* Notes receivable from participants	Interest rate of 8% maturing through 2024			<u>1,560</u>
				<u><u>\$ 2,809,277</u></u>

* A party-in-interest as defined by ERISA.

** Cost information not required for participant-directed accounts.

See accompanying notes to financial statements and independent auditors' report.

*Financial Statements and Supplemental Schedules
(With Independent Auditors' Report)*

JuneShine 401(k) Plan

*As of December 31, 2023 and 2022 and
for the Year Ended December 31, 2023*

JuneShine 401(K) PLAN

TABLE OF CONTENTS

	Page
Independent Auditors' Report	
Financial Statements	
Statements of Net Assets Available for Plan Benefits as of December 31, 2023 and 2022	5
Statement of Changes in Net Assets Available for Benefits for the Year Ended December 31, 2023	6
Notes to Financial Statements	7
Supplemental Schedule	
Schedule H – Part IV, Line 4(a) – Schedule of Delinquent Contributions as of December 31, 2023	15
Schedule H, Part IV, Line 4(i) - Schedule of Assets (Held at End of Year) as of December 31, 2023	16
Other schedules are omitted because they are not applicable or are not required disclosures under the Employee Retirement Income Security Act of 1974 and regulations issued by the Department of Labor.	

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator
JuneShine 401(k) Plan

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

We have performed audits of the accompanying financial statements of JuneShine 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 JuneShine 401(k) 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 a certification from a qualified institution 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 Auditors' 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 accounting principles generally accepted in the United States of America.
- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of JuneShine 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about JuneShine 401(k) 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.

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 accounting principles generally accepted in the United States of America.

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

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

Other Matter - Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule H, Part IV, Line 4(a) – Schedule of Delinquent Participant Contributions and Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) for the year ended December 31, 2023 are presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audits of the

INDEPENDENT AUDITORS' REPORT (CONTINUED)

financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

A handwritten signature in blue ink, appearing to read "Haskell & White LLP", is positioned above the firm's name.

HASKELL & WHITE LLP

Irvine, California
October 9, 2024

JuneShine 401(K) PLAN

**Statements of Net Assets Available for Plan Benefits
As of December 31, 2023 and 2022**

ASSETS	2023	2022
Investments at fair value		
Cash	\$ 4,866	\$ 2,489
Mutual funds	<u>2,802,851</u>	<u>1,791,546</u>
Total investments at fair value	<u>2,807,717</u>	<u>1,794,035</u>
Receivables		
Employer contributions receivable	15,195	-
Notes receivable from participants	<u>1,560</u>	<u>6,479</u>
Total receivables	<u>16,755</u>	<u>6,479</u>
Net assets available for plan benefits	<u><u>\$ 2,824,472</u></u>	<u><u>\$ 1,800,514</u></u>

See accompanying notes to financial statements and independent auditors' report.

JuneShine 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 fair value of investments	\$ 319,004
Interest and dividends	<u>62,450</u>
Total investment income	<u>381,454</u>
Interest income on notes receivable from participants	<u>319</u>
Contributions	
Employer	343,244
Participants	496,496
Participant rollovers	<u>72,544</u>
Total contributions	<u>912,284</u>
Total additions	<u>1,294,057</u>

Deductions:

Benefits paid to participants	265,819
Administrative expenses	<u>4,280</u>
Total deductions	<u>270,099</u>
Net increase in net assets available for plan benefits	1,023,958
Net assets available for plan benefits - beginning of year	<u>1,800,514</u>
Net assets available for plan benefits - end of year	<u><u>\$ 2,824,472</u></u>

See accompanying notes to financial statements and independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements December 31, 2023 and 2022

1. Description of the Plan

The following description of the JuneShine 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

General

The Plan is a defined contribution plan established effective January 1, 2020 for the benefit of eligible employees of JuneShine, Inc. (the “Company”). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). Guideline, Inc. (“Guideline”) is the third party administrator and Benefit Trust Company is the asset custodian and trustee of the Plan. Participants may direct their contributions into various investment options offered by the Plan. The Plan is administered by the chief financial officer of JuneShine, Inc., the Plan Sponsor.

Eligibility

Employees who are at least 21 years of age are eligible to participate in the Plan. Qualifying employees may make elective deferrals to the Plan effective as of 3 months of service.

Contributions

Each year, participants may elect to contribute up to 100% of their compensation to the Plan, not to exceed limits established by the Internal Revenue Code (the “Code”) (\$22,500 in 2023). Participants may also contribute amounts representing distributions from other qualified plans (e.g., rollover contributions). Participants who have attained age 50 prior to the end of a plan year are eligible to make pre-tax catch-up contributions to the Plan. During 2023, a participant’s catch-up contributions for the plan year may not exceed \$7,500. Such contributions are excluded from the participant’s taxable income for federal income tax purposes until received as a withdrawal or distribution from the Plan. Unless participants affirmatively elect otherwise, eligible employees are subject to the Plan’s automatic enrollment provision at 1% of eligible compensation.

The Company will make an enhanced safe harbor matching contribution equal to 100% of employees contributions up to 4% of eligible compensation. All contributing participants will receive the matching contribution on the first day of the pay period after or coincident with the day three months of service is met. The matching contribution is paid each pay period. All Company contributions are invested in the same manner that the participant directs their investments. For the year ended December 31, 2023, the Company made matching contributions totaling \$343,244 to the Plan.

The Company may also make an annual discretionary profit-sharing contribution. No discretionary profit-sharing contributions were made during 2023.

See independent auditors’ report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

1. Description of the Plan (continued)

Participant accounts

Individual accounts are maintained for each participant. Each participant's account is credited with the participant's pretax contributions and allocations of (a) Company matching contributions, when applicable, (b) investment earnings or losses, and (c) charged with withdrawals and an allocation of Plan transaction fees. Allocations are based on participant investment selections. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Vesting

Participants are immediately 100% vested in their voluntary salary contributions and rollover contributions, employer safe harbor matching contributions, and the actual earnings (losses) thereon. In addition, upon death, disability, or retirement (later of age 59½ or fifth anniversary of the participant's employment commencement date), participants will immediately become 100% vested in their share of the Company's discretionary contributions and the actual earnings (losses) thereon.

Employer discretionary profit-sharing contributions vest at a rate of 25% each year over four years.

Forfeitures

Forfeitures are the portion of the Company's discretionary profit-sharing contributions that are lost by a participant who terminates employment prior to becoming fully vested under the Plan's vesting schedule. Forfeited amounts are held by the Plan and are used to offset future Company contributions or to pay any administrative expenses of the Plan.

Notes receivable from participants

Participants may elect to borrow a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance, reduced by the highest outstanding participant note balance in the preceding one-year period. Notes receivable from participants are secured by the balances in the respective participants' accounts. Terms of notes receivable from participants range from one to five years, unless used to acquire the participant's principal residence, in which case the term may be extended up to 10 years. The notes receivable from participants bear a fixed interest rate of the Prime Rate plus 1%. Interest rates on notes receivable from participants outstanding as of December 31, 2023 was 8%.

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

1. Description of the Plan (continued)

Benefits

On termination of service due to death, disability, or retirement, a participant (or their beneficiary) may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or installments over a specified period of time. Upon reaching age 59½, participants may make in-service withdrawals of part or all of their vested account balance, including the related earnings.

Hardship withdrawals

Participants who are still employed by the Company are permitted to take withdrawals from their accounts under certain financial hardship conditions, as described in the Plan document.

Administrative expenses

At the Company's discretion, administrative expenses of the Plan may be paid directly by the Company; certain other administrative expenses may be paid by the Plan. Expenses that are paid by the Company are excluded from the accompanying financial statements. Fees related to the administration of notes receivable from participants are charged directly to the related participants' accounts and are included in administrative expenses in the accompanying statement of changes in net assets available for plan benefits. In addition, certain investment related expenses are offset against net appreciation (or included in net depreciation) in the fair value of investments in the accompanying statement of changes in net assets available for plan benefits.

2. Summary of Significant Accounting Policies

Basis of accounting

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

Use of estimates

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

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

2. Summary of Significant Accounting Policies (continued)

Investment valuation

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The plan administrator determines the Plan's valuation policies utilizing information provided by the Plan's trustee and investment adviser. See Note 4 for discussion of fair value measurements.

Investment income recognition

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

Notes receivable from participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2023. If a participant ceases to make loan repayments and the plan administrator deems the note receivable to be in default, the note receivable balance is reduced, and a benefit payment is recorded as a deemed distribution.

Payment of benefits

Benefits are recorded when paid.

3. Information Prepared and Certified by the Trustee

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. Accordingly, the following information included in the accompanying financial statements, notes, and supplemental schedules was obtained from data that was prepared and certified to as complete and accurate by the trustee and has not been audited by the Plan's independent auditors:

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

3. Information Prepared and Certified by the Trustee (continued)

- Investments
- Notes receivable from participants
- Net appreciation in fair value of investments
- Interest and dividends
- Interest income on notes receivable from participants
- Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

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

4. Fair Value Measurements

GAAP defines fair value, establishes a framework for measuring fair value, and requires certain disclosures about fair value measurements. The hierarchy of fair value valuation techniques under GAAP provides for three levels: Level 1 provides the most reliable measure of fair value, whereas Level 3, if applicable, generally would require significant management judgment. The three levels for categorizing assets and liabilities under GAAP's fair value measurement requirements are 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: Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or comparable assets or liabilities.
- Level 3: Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models, and similar techniques, and not based on market exchange, dealer or broker traded transactions. These valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

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

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

4. Fair Value Measurements (continued)

The following is a description of the valuation methodologies used for the Plan's assets measured at fair value.

Mutual funds – The fair value of mutual funds is based on the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded and measured as Level 1 assets in the fair value framework.

5. Party-In-Interest

A party-in-interest is defined as a fiduciary or employee of the Plan, any person who provides service to the Plan, a company whose employees are covered by the Plan, a person who owns 50% or more of such an employer or employee organization, or a relative of such persons mentioned.

Certain expenses of the Plan are paid by the Company and certain administrative functions are performed by employees of the Company without compensation from the Plan. Notes receivable from participants and the related interest income are also considered party-in-interest transactions. These transactions qualify as permitted party-in-interest transactions.

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of the Plan's termination, participants would become 100% vested in their accounts.

7. Reconciliation of Financial Statements to Schedule H of Form 5500

Certain information contained in the accompanying financial statements does not agree to the information contained in the Form 5500 as of December 31, 2023, and for the year then ended, primarily because of timing differences.

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

7. Reconciliation of Financial Statements to Schedule H of Form 5500 (continued)

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

Net assets available for benefits per Form 5500	\$ 2,809,277
Plus: employer contributions receivable	<u>15,195</u>
Net assets available for benefits per the financial statements	<u>\$ 2,824,472</u>

The following is a reconciliation of employer contributions for the year ended December 31, 2023, per the Form 5500 to the accompanying financial statements:

Employer contributions per Form 5500	\$ 328,049
Plus: employer contributions receivable	<u>15,195</u>
Employer contributions per the financial statements	<u>\$ 343,244</u>

8. Tax Status

GAAP requires the plan administrator 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. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2023, there were no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the accompanying financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

9. Risks and Uncertainties

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

See independent auditors' report.

JuneShine 401(K) PLAN

Notes to Financial Statements (continued) December 31, 2023 and 2022

10. Prohibited or Non-Exempt Transactions

For the year ended December 31, 2023, the Company transferred employee contributions, including loan repayments, of \$31,135 into the Plan after what was considered a reasonable period of time. These delinquent contributions are considered nonexempt prohibited transactions under the regulations of the Department of Labor. The Plan and/or the Plan sponsor may be subject to various fines, penalties and interest. Management is currently in the process of researching these matters, as well as the necessary actions to remediate these remaining issues. The accompanying financial statements do not include any accruals or provisions related to the outcome of this uncertainty.

During the fiscal year ended December 31, 2023, the Company identified that it failed to make contributions to the 401(k) plan for certain eligible earnings. The missed contributions related to employee contributions and employer match, including lost earnings, amounted to \$15,195. The Company has taken corrective actions to address this issue, including making the missed contributions along with any applicable earnings to the affected employees' accounts in July and August 2024.

The Company has also implemented additional controls to ensure timely contributions in the future. The financial impact of this correction has been reflected in the accompanying financial statements.

11. Subsequent Events

The plan administrator has evaluated, for potential recognition or disclosure in the financial statements, subsequent events that have occurred through October 9, 2024 which is the date that the financial statements were available to be issued.

In early 2024, the Plan transitioned from a safe harbor 401(k) plan to a traditional 401(k) plan structure due to a reduction in the employer matching contributions, which no longer met the safe harbor requirements. The contribution rate was restored to its previous amount in May 2024, and the Plan is anticipated to return to a safe harbor status as soon as legally permissible. As a result of this transition, the Plan will no longer be exempt from certain nondiscrimination testing requirements in 2024 that were previously waived under the safe harbor provisions. The effects of this transition on the Plan's compliance and financial performance will be evaluated in subsequent periods.

See independent auditors' report.

Supplemental Schedules

JuneShine 401(K) PLAN

**Schedule H – Part IV, Line 4(a) – Schedule of Delinquent Contributions as of
December 31, 2023**

EIN: 82-3597488 Plan Number: 001

Participant Contributions Transferred Late to Plan \$ 31,135	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51 \$ -
Check here if Late Participant Loan Repayments are included: ☒ X	Contributions Not Corrected \$ 31,135	Contributions Corrected Outside VFCP \$ -	Contributions Pending Correction in VFCP \$ -	

See accompanying notes to financial statements and independent auditors' report.

JuneShine 401(K) PLAN

Schedule H, Part IV, Line 4(i) - Schedule of Assets (Held at End of Year) as of December 31, 2023

EIN: 82-3597488 Plan Number: 001

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment	Cost	Current Value
	The Vanguard Group, Inc.	Vanguard Total Stock Market Index	**	\$ 1,261,768
	The Vanguard Group, Inc.	Vanguard Developed Markets Index	**	542,877
	The Vanguard Group, Inc.	Vanguard Total Bond Market Index	**	372,083
	The Vanguard Group, Inc.	Vanguard Emerging Markets Stock Index	**	267,970
	The Vanguard Group, Inc.	Vanguard Total International Bond Index	**	135,455
	The Vanguard Group, Inc.	Vanguard Real Estate Index	**	133,647
	The Vanguard Group, Inc.	Vanguard 500 Index	**	45,550
	The Vanguard Group, Inc.	Vanguard Federal Money Market	**	34,621
	The Vanguard Group, Inc.	Vanguard Growth Index	**	6,657
	Non-interest bearing cash	Cash	**	4,866
	The Vanguard Group, Inc.	Vanguard Inflation Protected Securities	**	2,223
				<u>2,807,717</u>
* Notes receivable from participants	Interest rate of 8% maturing through 2024			<u>1,560</u>
				<u><u>\$ 2,809,277</u></u>

* A party-in-interest as defined by ERISA.

** Cost information not required for participant-directed accounts.

See accompanying notes to financial statements and independent auditors' report.