

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2023 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____ ☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan GLMV ARCHITECTURE, INC. 401(K) PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 05/01/1991
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) GLMV ARCHITECTURE, INC. 1525 E DOUGLAS WICHITA, KS 67211
2b	Employer Identification Number (EIN) 48-0793813
2c	Plan Sponsor's telephone number 316-265-9367
2d	Business code (see instructions) 541310

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.	10/15/2024	JOHN FORD
	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	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 174
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) 138 6a(2) 156 6b 3 6c 40 6d 199 6e 0 6f 199 6g(1) 162 6g(2) 192 6h 22
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:

2A 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
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached 0
- (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 GLMV ARCHITECTURE, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 GLMV ARCHITECTURE, INC.	D Employer Identification Number (EIN) 48-0793813

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).....

X

YesNo
- 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
FIDELITY INVESTMENTS INSTITUTIONAL	
04-2647786	

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

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

PENSION CONSULTANTS INC.

43-1685158

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16	CONSULTANT	27566	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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?
37 60 64 65	RECORDKEEPER	19175	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

REGIER CARR & MONROE LLP

48-0573184

(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?
10	ACCOUNTANT/A UDITOR	9500	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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
EMERALD GROWTH INST - ALPS FUND SE 20-3247785	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
LZRD INTL STR EQ IS - DST ASSET MA 430 W 7TH STREET STE 219432 KANSAS CITY, MO 64105	0.15%	
(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
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection.
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan GLMV ARCHITECTURE, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 GLMV ARCHITECTURE, INC.	D Employer Identification Number (EIN) 48-0793813	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)		
a Name of MTIA, CCT, PSA, or 103-12 IE: AB US LG CP GRTH P3			
b Name of sponsor of entity listed in (a): GREAT GRAY TRUST COMPANY			
c EIN-PN 38-4116831-509	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: MACQUARIE LG CP VL B			
b Name of sponsor of entity listed in (a): SEI TRUST COMPANY			
c EIN-PN 45-1285328-047	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: WF SPL MD VAL CIT E2			
b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.			
c EIN-PN 84-6615098-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 372624	
a Name of MTIA, CCT, PSA, or 103-12 IE: EAGLE MID CAP GR 1			
b Name of sponsor of entity listed in (a): ALTA TRUST COMPANY			
c EIN-PN 83-0524193-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1010155	
a Name of MTIA, CCT, PSA, or 103-12 IE: AS SPEC MD CP VAL E1			
b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.			
c EIN-PN 84-6615098-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	

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

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

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

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

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2023
		This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan GLMV ARCHITECTURE, INC. 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 GLMV ARCHITECTURE, INC.	D Employer Identification Number (EIN) 48-0793813	

Part I	Asset and Liability Statement
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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	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	983131	640222
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	105892	101075
(9) Value of interest in common/collective trusts	1c(9)	4365944	1382779
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	4693471	9842907
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	0	0
(15) Other	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	10148438	11966983
Liabilities			
g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
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	10148438	11966983

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)	107829	
(B) Participants	2a(1)(B)	827282	
(C) Others (including rollovers)	2a(1)(C)	196156	
(2) Noncash contributions	2a(2)	0	1131267
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	33389	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	5194	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		38583
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	269401
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	269401	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		269401
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	0
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(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)	0	0
(B) Other	2b(5)(B)	0	
(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)		393636
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		980326
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		2813213

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	929932	
(2) To insurance carriers for the provision of benefits.....	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		929932
f Corrective distributions (see instructions)	2f		8495
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses:			
(1) Salaries and allowances	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Recordkeeping fees.....	2i(3)	19175	
(4) IQPA audit fees.....	2i(4)	9500	
(5) Investment advisory and investment management fees	2i(5)	0	
(6) Bank or trust company trustee/custodial fees	2i(6)	0	
(7) Actuarial fees	2i(7)	0	
(8) Legal fees	2i(8)	0	
(9) Valuation/appraisal fees	2i(9)	0	
(10) Other trustee fees and expenses	2i(10)	0	
(11) Other expenses	2i(11)	27566	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		56241
j Total expenses. Add all expense amounts in column (b) and enter total	2j		994668

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1818545
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

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: **REGIER CARR & MONROE, L.L.P.**

(2) EIN: **48-0573184**

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

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

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		☒	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		☒	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		☒	
e Was this plan covered by a fidelity bond?	☒		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		☒	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		☒	

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection.
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan GLMV ARCHITECTURE, INC. 401(K) PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 GLMV ARCHITECTURE, INC.		D Employer Identification Number (EIN) 48-0793813
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-6568107		
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
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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 06 / 30 / 2020 (MM/DD/YYYY) and the Opinion Letter serial number Q702438A.



TESSERE, Inc.

(An ESOP Owned Company)

Independent Accountant's Review Report and Financial Statements

December 31, 2023 and 2022



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Independent Accountant's Review Report

Board of Directors
TESSERE, Inc.
(An ESOP Owned Company)
Wichita, Kansas

We have reviewed the accompanying financial statements of TESSERE, Inc., (Company) which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income, stockholder's equity and notes payable to former stockholders and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatements whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of TESSERE, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Basis for Qualified Conclusion

As disclosed in *Note 2* to the financial statements, accounting principles generally accepted in the United States of America require that obligations of the Company be classified as current and long-term debt on the balance sheet. Also, interest paid on these obligations and contributions made by the Company to its ESOP should be reflected as expenses on the statement of income instead of as reductions of retained earnings. Management has informed us that the Company combines notes payable to former stockholders associated with the ESOP with equity on the balance sheet. The Company is presenting the interest expense on these notes and the ESOP contribution as direct reductions of retained earnings. Management believes that due to the risks retained by the former stockholders in the ESOP transaction, this presentation more fairly presents the economic substance of the transaction. Management's determinations regarding accounting principles generally accepted in the United States of America are explained in *Note 2* to the financial statements.

Accounting principles generally accepted in the United States of America require that companies owned by leveraged ESOPs report shares pledged as collateral for the debt as unearned ESOP shares, which is a reduction of stockholder's equity on the balance sheet. In conjunction with this reporting, the Company is required to disclose in the notes to the financial statements the basis for releasing shares and how dividends on allocated and unallocated shares are used, the amount of plan compensation cost recognized during the period, the number of allocated shares, committed-to-be-released shares and suspense shares held by the plan at the balance sheet date, the fair value of unearned ESOP shares at the balance sheet date and the fair value of any shares subject to a repurchase obligation and allocated as of the balance sheet date. The effects of these departures from accounting principles generally accepted in the United States of America on the Company's financial position and results of operations have been disclosed in *Note 2*. The effects of these departures from accounting principles generally accepted in the United States of America on cash flows have not been determined.

Qualified Conclusion

Based on our reviews, except for the issue noted in the *Basis for Qualified Conclusion* paragraph, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Supplementary Information

The accompanying supplementary information is presented only for purposes of additional analysis of the financial statements rather than to present the financial position and results of operations of the individual companies, and is not a required part of the basic financial statements. Such information is the responsibility of management, and was derived from, and relates directly to, the underlying accounting records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our reviews of the basic financial statements. Except for the known departure from accounting principles generally accepted in the United States of America described in *Note 2* to the accompanying financial statements, we are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information, and accordingly, we do not express an opinion on such information.

Forvis Mazars, LLP

**Wichita, Kansas
July 10, 2024**

TESSERE, Inc.
(An ESOP Owned Company)
Balance Sheets
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets		
Cash	\$ 2,391,424	\$ 2,959,888
Accounts receivable, net of allowance; 2023 and 2022 - \$200,000	7,325,671	6,591,313
Other receivables	1,444	792
Contract asset		
Costs and estimated earnings in excess of billings	1,454,053	755,320
Prepaid expenses	<u>430,565</u>	<u>236,261</u>
Total current assets	<u>11,603,157</u>	<u>10,543,574</u>
 Property and Equipment, at Cost		
Furniture and fixtures	1,238,316	1,094,977
Computers, software and associated equipment	2,500,757	2,270,176
Vehicles	82,421	82,421
Leasehold improvements	<u>447,853</u>	<u>209,263</u>
	4,269,347	3,656,837
Less accumulated depreciation and amortization	<u>3,160,328</u>	<u>2,749,122</u>
	<u>1,109,019</u>	<u>907,715</u>
 Other Assets		
Cash value of life insurance	5,146	5,146
Goodwill	2,977,772	2,977,772
Right-of-use assets - finance leases	548,711	772,196
Right-of-use assets - operating leases	3,317,932	3,779,193
Other	<u>106,748</u>	<u>65,530</u>
Total other assets	<u>6,956,309</u>	<u>7,599,837</u>
Total assets	<u><u>\$ 19,668,485</u></u>	<u><u>\$ 19,051,126</u></u>

See Notes to Financial Statements

TESSERE, Inc.
(An ESOP Owned Company)
Balance Sheets
December 31, 2023 and 2022

Continued

	2023	2022
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 3,869,669	\$ 2,576,750
Current maturities of finance lease obligations	244,924	244,924
Current maturities of operating lease obligations	718,091	691,482
Accrued expenses and other liabilities	1,600,220	1,379,443
Accrued expenses, consultants	973,172	264,078
Contract liability		
Billings in excess of costs and estimated earnings	1,515,357	1,661,574
	<u>8,921,433</u>	<u>6,818,251</u>
Total current liabilities		
	<u>8,921,433</u>	<u>6,818,251</u>
Other Liabilities		
Finance lease obligations	310,685	534,169
Operating lease obligations	2,599,841	3,199,718
	<u>2,910,526</u>	<u>3,733,887</u>
Total long-term liabilities		
	<u>2,910,526</u>	<u>3,733,887</u>
Stockholder's Equity		
Common stock, par value \$.001 per share, 20,000,000 shares shares authorized; 8,872,274 shares issued; 8,376,979 shares outstanding and 495,295 shares in treasury with no cost basis	8,872	8,872
Notes payable to former stockholders	2,835,831	3,139,464
Additional paid-in capital	4,204,043	3,854,482
Retained earnings	787,780	1,496,170
	<u>7,836,526</u>	<u>8,498,988</u>
Total stockholder's equity		
	<u>7,836,526</u>	<u>8,498,988</u>
Total liabilities and stockholder's equity	<u>\$ 19,668,485</u>	<u>\$ 19,051,126</u>

TESSERE, Inc.
(An ESOP Owned Company)
Statements of Income
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Contract Revenue Earned	\$ 31,602,377	\$ 25,640,527
Cost of Revenue Earned		
Consultant fees and direct expenses	<u>11,861,898</u>	<u>8,183,042</u>
Net service revenue	19,740,479	17,457,485
Direct labor	<u>6,055,091</u>	<u>5,122,668</u>
Gross Profit	<u>13,685,388</u>	<u>12,334,817</u>
Operating Expenses		
Operating expenses	11,440,455	9,271,333
General and administrative	<u>2,491,102</u>	<u>2,429,192</u>
	<u>13,931,557</u>	<u>11,700,525</u>
Operating Income	<u>(246,169)</u>	<u>634,292</u>
Other Income		
Interest income	48,590	470
Other	<u>20,371</u>	<u>28,677</u>
	<u>68,961</u>	<u>29,147</u>
Net Income (Loss)	<u><u>\$ (177,208)</u></u>	<u><u>\$ 663,439</u></u>

TESSERE, Inc.
(An ESOP Owned Company)
Statements of Stockholder's Equity and Notes Payable to Former Stockholders
December 31, 2023 and 2022

	Common Stock	Notes Payable to Former Stockholders	Additional Paid-in Capital	Retained Earnings	Total
Balance, January 1, 2022	\$ 8,872	\$ 3,425,342	\$ 3,504,822	\$ 1,381,766	\$ 8,320,802
Net income	-	-	-	663,439	663,439
Declared ESOP contribution	-	-	349,660	(349,660)	-
Interest expense on notes to former stockholders	-	-	-	(199,375)	(199,375)
Principal payments on notes to former stockholders	-	(285,878)	-	-	(285,878)
Balance, December 31, 2022	8,872	3,139,464	3,854,482	1,496,170	8,498,988
Net loss	-	-	-	(177,208)	(177,208)
Declared ESOP contribution	-	-	349,561	(349,561)	-
Interest expense on notes to former stockholders	-	-	-	(181,621)	(181,621)
Principal payments on notes to former stockholders	-	(303,633)	-	-	(303,633)
Balance, December 31, 2023	<u>\$ 8,872</u>	<u>\$ 2,835,831</u>	<u>\$ 4,204,043</u>	<u>\$ 787,780</u>	<u>\$ 7,836,526</u>

TESSERE, Inc.
(An ESOP Owned Company)
Statements of Cash Flow
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating Activities		
Net income (loss)	\$ (177,208)	\$ 663,439
Items not requiring (providing) cash		
Depreciation and amortization	634,692	539,805
Noncash operating lease expense	461,261	644,335
Bad debt provision	112	500
Changes in		
Accounts receivable	(735,122)	4,006,875
Costs and estimated earnings in excess of billings on uncompleted contracts	(698,733)	(481,624)
Other assets	(235,522)	(61,763)
Accounts payable and accrued expenses	2,222,790	(321,304)
Operating lease liability	(573,268)	(532,328)
Billings in excess of costs and estimated earnings on uncompleted contracts	(146,217)	(2,561,439)
Net cash provided by operating activities	<u>752,785</u>	<u>1,896,496</u>
Investing Activities		
Purchase of property and equipment	<u>(612,511)</u>	<u>(558,847)</u>
Net cash used in investing activities	<u>(612,511)</u>	<u>(558,847)</u>
Financing Activities		
Principal payments on finance lease obligations	(223,484)	(199,604)
Cash paid to former stockholders on ESOP transaction	<u>(485,254)</u>	<u>(485,253)</u>
Net cash used in financing activities	<u>(708,738)</u>	<u>(684,857)</u>
Increase (Decrease) in Cash	(568,464)	652,792
Cash, Beginning of Year	<u>2,959,888</u>	<u>2,307,096</u>
Cash, End of Year	<u><u>\$ 2,391,424</u></u>	<u><u>\$ 2,959,888</u></u>
Supplemental Cash Flows Information		
Interest paid on notes to former stockholders	\$ 181,621	\$ 199,375
Finance lease obligations incurred for property and equipment	-	585,570
Right-of-use assets obtained in exchange for operating lease liabilities at adoption of ASC 842	-	4,423,528
Principal payments on notes to former stockholders	303,633	285,878

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

TESSERE, Inc. is a design architecture firm that has offices in Wichita, Kansas; Kansas City, Missouri; and Houston, Texas. Services provided include design, architecture, interior design, landscaping, planning and related services.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Cash includes cash on hand and cash in banks. Highly liquid investments, including short-term investments of funds, are separately classified. At December 31, 2023, the Company's cash accounts, including the short-term investments described below, exceeded federally insured limits by approximately \$2,408,000.

Accounts Receivable

Accounts receivable for which the Company has an unconditional right to payment are stated at the amount billed to customers. The Company provides an allowance for credit losses, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Contracts receivable are ordinarily due 30 days after the issuance of the invoice. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the customer.

Retention receivables for which the Company has an unconditional right to payment that is only subject to the passage of time are included in contract receivable. Retention receivables subject to conditions other than the passage of time, such as fulfillment guarantees, future performance, or achievement of stated milestones are included in other assets.

Unbilled receivables include unbilled amounts for services provided to customers for which the Company has an unconditional right to payment. Unbilled amounts for which payment is contingent on satisfaction of performance obligations are included in costs and estimated earnings on uncompleted contracts.

Property and Equipment

Property and equipment acquisitions are stated at cost less accumulated depreciation and amortization. Depreciation and amortization is charged to expense on the straight-line basis over the estimated useful life of each asset, which range from 5-15 years, for purposes of financial statement presentation.

Maintenance and repairs are charged to expense. Renewals and betterments are capitalized. When depreciable property is retired or disposed of, the related identifiable costs and accumulated depreciation are removed from the accounts, with gains or losses reflected in earnings.

Long-Lived Asset Impairment

The Company evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended December 31, 2023 and 2022.

Goodwill

Goodwill is evaluated annually for impairment or more frequently if impairment indicators are present. A qualitative assessment is performed to determine whether the existence of events or circumstances leads to a determination that it is more likely than not the fair value is less than the carrying amount, including goodwill. If, based on the evaluation, it is determined to be more likely than not that the fair value is less than the carrying value, then goodwill is tested further for impairment. If the implied fair value of goodwill is lower than its carrying amount, a goodwill impairment is indicated and goodwill is written down to its implied fair value. Subsequent increases in goodwill value are not recognized in the financial statements.

Contract Liabilities

Contract liabilities represent the Company's obligation to transfer goods or services to a customer when consideration has already been received from the customer.

Revenue Recognition

Revenue is recognized when control of the promised goods or services is transferred to the Company's customers, in an amount that reflects the consideration that it expects to be entitled to in exchange for those goods or services. The amount and timing of revenue recognition varies based on the nature of the goods or services provided and the terms and conditions of the customer contract. See *Note 8* for additional information about the Company's revenue.

Advertising Expense

The Company expenses advertising, promotions and public relations costs as they are incurred. Total advertising expense was \$501,691 and \$223,983 for the years ended December 31, 2023 and 2022, respectively.

Income Taxes

The Company's stockholder, an ESOP, has its income exempt from income taxes as an "S" Corporation under provisions of the Internal Revenue Code and a similar section of the Kansas income tax law.

Self Insurance

The Company has elected to self-insure certain costs related to employee health and accident benefit programs. Costs resulting from noninsured losses are charged to income when incurred. The Company has purchased insurance that limits its exposure for individual claims and that limits its aggregate exposure to \$100,000 per individual.

Note 2. Employee Stock Ownership Plan and Accounting for Transactions and Subsequent Event

On September 12, 2012, the TESSERE, Inc. Employee Stock Ownership Plan (ESOP) acquired 100% of the issued and outstanding common stock of the Company for \$6,100,000. The transaction was culminated by issuing a cash payment of \$500,000 and notes payable to former stockholders (NPFSH) of \$5,600,000. The NPFSH are payable in 120 payments of \$74,958, including principal and interest at 10% per annum and are secured by the Company's assets and common stock. On April 1, 2016, the Company reduced NPFSH to \$4,800,000, principally by a lump-sum payment. The terms of the notes were adjusted to a 15-year payout, at 6% per annum with payments to be made on a quarterly basis. Annual payments for principal and interest are approximately \$485,000.

Goodwill was recognized based on purchase accounting as the difference between the fair value of tangible assets and purchase price of the common stock as of September 12, 2012. Expenditures for the formation and execution of the ESOP's stock acquisition were expensed and are included in non-recurring expense.

Due to the structure of the ESOP transaction, management concluded that certain applications of generally accepted accounting principles (GAAP) would not fairly represent the substance of the ESOP's ownership acquisition. Key elements considered are the facts that the former stockholders provided 100% of the financing, are still at risk for collection on their notes, therefore, concluded the NPFSH have more attributes of equity than debt. Equally important would be the improved ability of management and users of the financial statements to compare operating results and financial position to peers. Former and current management remained relatively unchanged.

Contributions to the ESOP of \$349,561 and \$349,660 in 2023 and 2022, respectively, are reported as changes to retained earnings and additional paid-in capital since these contributions were paid to the ESOP and immediately returned to the Company. Payments on NPFSH, principal and interest, are reported as changes to retained earnings (akin to a dividend) or reduction in the balances of NPFSH.

GAAP requirements would reflect interest expense on NPFSH and contributions to the ESOP as expenses in the statements of income and NPFSH as current and long-term debt on the balance sheet.

Management's determinations of the changes to the balance sheets and statements of income if GAAP had been followed are as follows:

	<u>2023</u>	<u>2022</u>
Current portion of long-term debt would increase	\$ 303,633	\$ 285,878
Long-term debt would increase	2,532,198	2,853,586
Stockholder's equity would decrease	2,835,831	3,139,464
Net income would decrease	531,182	549,035
Net income decrease (Schedules of Operating Expenses)		
Interest expense	\$ 181,621	\$ 199,375
ESOP contribution (employee benefits)	349,561	349,660
Total	<u>\$ 531,182</u>	<u>\$ 549,035</u>

TESSERE, Inc.
(An ESOP Owned Company)
Notes to Financial Statements
December 31, 2023 and 2022

Note 3. Accounts Receivable

	<u>2023</u>	<u>2022</u>
Billed on contracts	\$ 7,525,671	\$ 6,791,313
Allowance for doubtful accounts	<u>(200,000)</u>	<u>(200,000)</u>
	<u>\$ 7,325,671</u>	<u>\$ 6,591,313</u>

Note 4. Costs and Estimated Earnings on Uncompleted Contracts

	<u>2023</u>	<u>2022</u>
Costs incurred on uncompleted contracts	\$ 50,248,167	\$ 40,562,956
Estimated earnings	<u>2,803,307</u>	<u>3,259,776</u>
	53,051,474	43,822,732
Billings to date	<u>53,112,778</u>	<u>44,728,986</u>
	<u>\$ (61,304)</u>	<u>\$ (906,254)</u>

Included in the accompanying balance sheets under the following caption:

	<u>2023</u>	<u>2022</u>
Costs and estimated earnings in excess of billing on uncompleted contracts	\$ 1,454,053	\$ 755,320
Billings in excess of costs and estimated earnings on uncompleted contracts	<u>(1,515,357)</u>	<u>(1,661,574)</u>
	<u>\$ (61,304)</u>	<u>\$ (906,254)</u>

Note 5. Line of Credit

In September 2022, the Company entered into a \$2,000,000 revolving line of credit agreement that expired in September 2023. At December 31, 2022, there were no borrowings against the line. The line is collateralized by substantially all of the Company's assets. Interest varies with the bank's prime rate, which was 7.50% at December 31, 2022, and is payable monthly.

In September 2023, the Company entered into a \$2,000,000 revolving line of credit agreement expiring in September 2024. At December 31, 2023, there were no borrowings against the line. The line is collateralized by substantially all of the Company's assets. Interest varies with the bank's prime rate, which was 8.50% at December 31, 2023, and is payable monthly.

Note 6. Leases

Accounting Policies

The Company determines if an arrangement is a lease or contains a lease at inception. Leases result in the recognition of ROU assets and lease liabilities on the balance sheets. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Company determines lease classification as operating or finance at the lease commencement date. Finance leases are included in property and equipment, other current liabilities and other long-term liabilities in the balance sheets.

At lease commencement, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The Company uses the implicit rate when readily determinable. As most of the leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the commencement date to determine the present value of lease payments.

The lease term may include options to extend or to terminate the lease that the Company is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term.

The Company has elected not to record leases with an initial term of 12 months or less on the balance sheets. Lease expense on such leases is recognized on a straight-line basis over the lease term.

Nature of Leases

The Company has entered into the following lease arrangements:

Finance Leases

These leases consist of IT equipment and mature on various dates through April 2027. Termination of the leases generally are prohibited unless there is a violation under the lease agreement.

TESSERE, Inc.
(An ESOP Owned Company)
Notes to Financial Statements
December 31, 2023 and 2022

Operating Leases

The Company leases office space that expire in various years through 2032. The leases have various terms and are accounted for as operating leases with lease payments recorded as operating expenses as incurred.

Short-Term Leases

The Company leases certain office space on a month-to-month basis. The expected lease terms are less than 12 months.

All Leases

The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Quantitative Disclosures

The lease cost and other required information for the years ended December 31, 2023 and 2022, are:

	2023	2022
Lease cost		
Finance lease cost		
Amortization of right-of-use asset	\$ 223,484	\$ 199,604
Interest on lease liabilities	22,255	25,201
Operating lease cost	573,268	532,328
Short-term lease cost	460	5,940
	<u>\$ 819,467</u>	<u>\$ 763,073</u>
Total lease cost		
	<u>\$ 819,467</u>	<u>\$ 763,073</u>
	2023	2022
Other information		
Cash paid for amounts included in the measurement of lease liabilities		
Financing cash flows from finance leases	\$ 223,484	\$ 199,604
Operating cash flows from operating leases	1,223,810	668,020
Right-of-use assets obtained in exchange for new finance lease liabilities	-	585,570
Weighted-average remaining lease term		
Finance leases	2.8 years	3.7 years
Operating leases	5.9 years	7.7 years
Weighted-average discount rate		
Finance leases	3.25%	3.25%
Operating leases	3.25%	3.25%

TESSERE, Inc.
(An ESOP Owned Company)
Notes to Financial Statements
December 31, 2023 and 2022

Future minimum lease payments and reconciliation to the consolidated balance sheet at December 31, 2023, are as follows:

	Finance Leases	Operating Leases
2024	\$ 244,924	\$ 718,091
2025	187,778	723,623
2026	157,166	729,168
2027	21,718	467,412
2028	-	211,107
Thereafter	-	810,116
Total future undiscounted lease payments	611,586	3,659,517
Less inputted interest	55,977	341,585
Lease liabilities	<u>\$ 555,609</u>	<u>\$ 3,317,932</u>

Note 7. Revenue from Contracts with Customers

Performance Obligations

The Company recognizes revenue from contracts with customers over time, as performance obligations are satisfied, due to the continuous transfer of control to the customer. These contracts are generally accounted for as a single unit of account (a single performance obligation) and are not segmented between types of services. The Company measures transfer of control utilizing an input method to measure progress based on contract cost incurred to date compared to total estimated contract cost (cost-to-cost method). The cost-to-cost method is the most faithful depiction of the Company's performance because it directly measures the value of the services transferred to the customer. Project costs include direct labor, other direct costs and those indirect costs related to project performance, such as indirect labor. Selling, general and administrative costs are charged to expense as incurred. Pre-contract costs are expensed as incurred unless they are expected to be recovered from the customer.

When the estimate on a project indicates that the project costs will exceed contract revenue, the Company's policy is to immediately recognize the entire loss. The cumulative effect of revisions in estimates to total project costs or revenue during the course of the work is reflected in the accounting period in which the facts that caused the revision first become known. Because of the inherent uncertainties in estimating costs and revenues, it is at least reasonably possible that the estimates used could change in the near term.

Variable Consideration

The nature of the Company's contracts gives rise to several types of variable consideration, including claims and unpriced change orders. The Company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The Company estimates the amount of revenue to be recognized on variable consideration using the expected value, *i.e.*, the sum of a probability-weighted amount or the most likely amount method, whichever is expected to better predict the amount. Factors considered in determining whether revenue associated with claims (including change orders in dispute and unapproved change orders) should be recognized include the following:

- The contract or other evidence provides a legal basis for the claim
- Additional costs were caused by circumstances that were unforeseen at the contract date and not the result of deficiencies in the Company's performance
- Claim-related costs are identifiable and considered reasonable in view of the work performed
- Evidence supporting the claim is objective and verifiable

If the requirements for recognizing revenue for claims or unapproved change orders are met, revenue is recorded only when the costs associated with the claims or unapproved change orders have been incurred. Back charges to suppliers or subcontractors are recognized as a reduction of cost when it is determined that recovery of such cost is probable and the amounts can be reliably estimated. Disputed back charges are recognized when the same requirements described above for claims accounting have been satisfied.

Warranties

Contracts generally include assurance-type warranties that the Company's performance is free from material defect and consistent with the specifications of the contracts, which do not give rise to a separate performance obligation.

Disaggregation of Revenue

The Company recognizes all revenue over time as performance obligations are satisfied.

Contract Balances

The following table provides information about the Company's receivables and contract liabilities from contracts with customers:

	2023	2022
Accounts receivable, net, beginning of year	\$ 6,591,313	\$ 10,595,158
Accounts receivable, net, end of year	7,325,671	6,591,313
Contract asset, beginning of the year	755,320	273,696
Contract asset, end of year	1,454,053	755,320
Contract liability, beginning of year	1,661,574	4,223,013
Contract liability, end of year	1,515,357	1,661,574

Accounting Policies and Practical Expedients Elected

Accounting Policies

For sales and other similar taxes collected from customers on behalf of third parties, the Company is applying an accounting policy election which permits an entity to exclude from revenue any amounts collected from customers on behalf of governmental authorities, such as sales taxes, use tax, and other similar taxes collected concurrent with revenue-producing activities. Therefore, the Company presents revenue net of sales taxes and similar revenue-based taxes.

Practical Expedients

For significant financing components, the Company elected a practical expedient, which allows an entity to recognize the promised amount of consideration without adjusting for the time value of money if the contract has a duration of one year or less, or if the reason the contract extended beyond one year is because the timing of delivery of the product is at the customer's discretion. The timing of revenue recognition does not typically differ from the timing of invoices and, as such, the Company has determined that transactions do not include a significant financing component.

For measuring progress for revenue recognized over time, the Company elected to use the right to invoice practical expedient. This practical expedient allows an entity to recognize revenue in the amount of consideration to which the entity has a right to invoice when the amount that the entity has the right to invoice corresponds directly to the value transferred to the customer.

Note 8. Related Party Transactions

The Company leases its Wichita, Kansas office from an entity owned by three former principal stockholders and another party. The rent is \$29,700 per month and the lease extends to March 31, 2027, with subsequent escalations of rent based on economic factors. These payments are included in the operating lease obligation schedule in *Note 7*.

Note 9. Profit-sharing Plans

The Company has a 401(k) profit-sharing plan covering substantially all employees. The Company's contributions to the plan are determined annually by the owners. Contributions to the plan were \$124,748 and \$89,649 for December 31, 2023 and 2022, respectively.

Note 10. Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Major Supplier

The Company had no consulting firms in 2023 who made up more than 10% of consulting services. The Company had three major consulting firms in 2022 who made up approximately 40% of consulting services. Other firms are available if the Company chose to decrease this concentration.

Major Customer

The Company had one major customer in 2023 who made up approximately 17% of total revenue and 6% of total accounts receivable. The Company did not have a major customer in 2022.

Note 11. Employee Stock Ownership Plan

The Company adopted the TESSERE, Inc. Employee Stock Ownership Plan and Trust Agreement (Plan) effective January 1, 2011, for the benefit of eligible employees. Employees are eligible to participate in the Plan if they have completed one year of service with the Company and are at least 18 years old. The Company can make yearly discretionary contributions to the Plan. These contributions will be allocated to participants' accounts based on compensation. Participants will become fully vested in employer discretionary contributions after six years of service. The Company elected to make a \$346,561 and \$349,660 contribution to the Plan for the years ended December 31, 2023 and 2022, respectively. The ESOP remitted such contributions back to the Company as additional paid-in capital.

Shares in the Plan are released by the trustee and allocated to participants accounts as principal and interest are paid on the note originating from the original purchase of the shares. The trustee had released 7,092,840 shares as of December 31, 2023, and 6,664,907 shares as of December 31, 2022.

Note 12. Subsequent Events

Subsequent events have been evaluated through July 10, 2024, which is the date the financial statements were available to be issued.

Supplementary Information

TESSERE, Inc.
(An ESOP Owned Company)
Schedules of Operating Expenses
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Salaries	\$ 6,663,404	\$ 4,802,907
Insurance	211,922	190,093
Payroll taxes	872,356	771,637
Bad debts	112	500
Travel	539,815	343,146
Telephone	139,922	131,763
Advertising, promotion and public relations	501,691	223,983
Printing	16,511	19,231
Employee benefits	1,361,565	1,726,689
Equipment rental	1,853	2,598
Interest	139,700	168,475
Computer expense	758,379	630,123
Postage and freight	12,557	14,076
Production supplies	116,671	70,435
Consulting services	103,997	175,677
	<u>\$ 11,440,455</u>	<u>\$ 9,271,333</u>

TESSERE, Inc.
(An ESOP Owned Company)
Schedules of Administrative Expenses
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Lease	\$ 462,078	\$ 650,275
Repairs and maintenance	142,038	182,167
Building security	11,924	11,540
Depreciation and amortization	634,692	539,805
Professional registration and membership dues	182,954	192,927
Employee procurement	190,820	93,997
Legal and accounting	194,132	182,459
Professional development	86,727	69,937
Utilities	68,446	68,458
Miscellaneous	306,389	206,046
General taxes	88,769	78,549
Auto	(8,635)	(1,828)
Employee relations	31,474	35,399
Directors fees	47,500	57,500
Publications	17,162	28,911
Contributions	34,632	33,050
	<u>\$ 2,491,102</u>	<u>\$ 2,429,192</u>

TESSERE, Inc.
(An ESOP Owned Company)
Balance Sheets
December 31, 2023 and 2022

	2023	2022
ASSETS		
Current Assets		
Cash	\$ 2,391,424	\$ 2,959,888
Accounts receivable, net of allowance; 2023 and 2022 - \$200,000	7,325,671	6,591,313
Other receivables	1,444	792
Contract asset		
Costs and estimated earnings in excess of billings	1,454,053	755,320
Prepaid expenses	430,565	236,261
	<u>11,603,157</u>	<u>10,543,574</u>
 Property and Equipment, at Cost		
Furniture and fixtures	1,238,316	1,094,977
Computers, software and associated equipment	2,500,757	2,270,176
Vehicles	82,421	82,421
Leasehold improvements	447,853	209,263
	<u>4,269,347</u>	<u>3,656,837</u>
Less accumulated depreciation and amortization	<u>3,160,328</u>	<u>2,749,122</u>
	<u>1,109,019</u>	<u>907,715</u>
 Other Assets		
Cash value of life insurance	5,146	5,146
Goodwill	2,977,772	2,977,772
Right-of-use assets - finance leases	548,711	772,196
Right-of-use assets - operating leases	3,317,932	3,779,193
Other	106,748	65,530
	<u>6,956,309</u>	<u>7,599,837</u>
 Total other assets		
	<u>6,956,309</u>	<u>7,599,837</u>
 Total assets	<u><u>\$ 19,668,485</u></u>	<u><u>\$ 19,051,126</u></u>

See Notes to Financial Statements