

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning 10/01/2022 and ending 09/30/2023	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B	This return/report is: ☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information		
1a	Name of plan FOTO-KEM INDUSTRIES, INC. 401(K) PLAN	1b	Three-digit plan number (PN) ▶ 002
		1c	Effective date of plan 07/01/1993
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) FOTO-KEM INDUSTRIES, INC. 2801 W. ALAMEDA AVENUE BURBANK, CA 91505	2b	Employer Identification Number (EIN) 95-2269976
		2c	Plan Sponsor's telephone number 818-846-3101
		2d	Business code (see instructions) 512100

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.	11/11/2024	WILLIAM F BRODERSEN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	11/11/2024	WILLIAM F BRODERSEN
	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 FOTO-KEM INDUSTRIES, INC. 2801 W. ALAMEDA AVENUE BURBANK, CA 91505	3b Administrator's EIN 95-2269976 3c Administrator's telephone number 818-846-3101
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	5 688
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 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) 482 6a(2) 535 6b 4 6c 192 6d 731 6e 0 6f 731 6g 700 6h 10
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 2T 2S b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE 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
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 10/01/2022 and ending 09/30/2023		
A Name of plan FOTO-KEM INDUSTRIES, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 FOTO-KEM INDUSTRIES, INC.	D Employer Identification Number (EIN) 95-2269976	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

BFSG LLC

20-8161914

(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?
27	NONE	20000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 37 50 64	NONE	13490	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

DECKER, FARRELL & MCCOY, LLP

47-1222587

(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	NONE	13000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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)

FHH LOS ANGELES LLP

82-3747318

(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	NONE	5500	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:	FHH LOS ANGELES LLP	b EIN:	82-3747318
c Position:	ACCOUNTANT		
d Address:	9301 OAKDALE AVENUE, SUITE 230 CHATSWORTH, CA 91311	e Telephone:	818-895-1943

Explanation: SPONSOR INTRODUCED TO NEW ERISA AUDITOR

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 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 10/01/2022 and ending 09/30/2023		
A Name of plan FOTO-KEM INDUSTRIES, INC. 401(K) PLAN	B Three-digit plan number (PN) ►	002
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 FOTO-KEM INDUSTRIES, INC.	D Employer Identification Number (EIN) 95-2269976	

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)
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRU CORE CONSERV INT BD FD		
b Name of sponsor of entity listed in (a): PRUDENTIAL TRUST CO.		
c EIN-PN 23-6994310-156	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 12042848
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

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

(Complete as many entries as needed to report all participating plans)

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
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
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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 2022 This Form is Open to Public Inspection		
For calendar plan year 2022 or fiscal plan year beginning <u>10/01/2022</u> and ending <u>09/30/2023</u>				
A Name of plan <u>FOTO-KEM INDUSTRIES, INC. 401(K) PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; padding: 5px;"> B Three-digit plan number (PN) ► </td> <td style="width: 20%; padding: 5px; text-align: center;"> 002 </td> </tr> </table>		B Three-digit plan number (PN) ►	002
B Three-digit plan number (PN) ►	002			
C Plan sponsor's name as shown on line 2a of Form 5500 <u>FOTO-KEM INDUSTRIES, INC.</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; padding: 5px;"> D Employer Identification Number (EIN) <u>95-2269976</u> </td> </tr> </table>		D Employer Identification Number (EIN) <u>95-2269976</u>	
D Employer Identification Number (EIN) <u>95-2269976</u>				

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	118	91
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)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	4773343	4730988
(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)	1442256	1402075
(9) Value of interest in common/collective trusts.....	1c(9)	12559234	12042848
(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)	65342964	76599852
(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	84117915	94775854

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
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	84117915	94775854
---	-----------	----------	----------

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)	663798	
(B) Participants	2a(1)(B)	3666032	
(C) Others (including rollovers)	2a(1)(C)	45052	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		4374882
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	213877	
(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)	74181	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		288058
(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)	1368744	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1368744
(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)		0
(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)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		237717
(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)		9963396
c Other income	2c		10130
d Total income. Add all income amounts in column (b) and enter total	2d		16242927
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	5532516	
(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)		5532516
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	18500	
(2) Contract administrator fees	2i(2)	13490	
(3) Investment advisory and management fees	2i(3)	20000	
(4) Other	2i(4)	482	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		52472
j Total expenses. Add all expense amounts in column (b) and enter total	2j		5584988
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		10657939
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: CBIZ CPAS P.C.

(2) EIN: 43-1947695

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 10/01/2022 and ending 09/30/2023		
A Name of plan FOTO-KEM INDUSTRIES, INC. 401(K) PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 FOTO-KEM INDUSTRIES, INC.		D Employer Identification Number (EIN) 95-2269976
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): 22-1211670		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....		☐ Yes ☐ No
11 a Does the ESOP hold any preferred stock?.....		☐ Yes ☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....		☐ Yes ☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?.....		☐ Yes ☐ No
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

14	Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:		
	a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....	14a	
	b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
	c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year.....	15a	
	b The corresponding number for the second preceding plan year.....	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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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) through (c) a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____% b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____
20	PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20. a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box: ☐ Yes. ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date. ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date. ☐ No. Other. Provide explanation _____

**FOTO-KEM INDUSTRIES, INC.
401(k) PLAN**

FINANCIAL STATEMENTS
and
SUPPLEMENTAL SCHEDULE

SEPTEMBER 30, 2023

with
INDEPENDENT AUDITORS' REPORT



**FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE
SEPTEMBER 30, 2023**

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All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for reporting and Disclosure under the Employee Retirement Income Securities Act of 1974 have been omitted because they are not applicable.	



INDEPENDENT AUDITORS' REPORT

Administrative Committee
Foto-Kem Industries, Inc. 401(k) Plan

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

We have performed the audit of the financial statements of Foto-Kem Industries, Inc. 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 statement of net assets available for benefits as of September 30, 2023, the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit 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 September 30, 2023 and for the year then ended, stating that the certified investment information, as described in Note C to the financial statements, is complete and accurate.

Opinion on the 2023 Financial Statements

In our opinion, based on our audit 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 accompanying financial statements, 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 accompanying financial statements 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).



Basis for Opinion on the 2023 Financial Statements

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

Responsibilities of Management for the 2023 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 the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

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

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 for the Financial Statements 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on these financial statements.



In performing an audit in accordance with GAAS, we:

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

Our audit 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 Schedule Required by ERISA

The supplemental schedule, Schedule H line 4i – Schedule of Assets (Held at End of Year) as of September 30, 2023, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.



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

In our opinion:

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, 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 schedule related to assets held by Empower Retirement ("Empower") 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).

Other Matter - Auditors' Report on the 2022 Financial Statements

Predecessor auditors performed an audit of the 2022 financial statements of the Plan. 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**, the prior year audit did not extend to any statements or information related to assets held for investment of the Plan that were certified by a qualified institution. Their report dated July 14, 2023, indicated that (a) the amounts and disclosures in the 2022 financial statements, other than those agreed to or derived from the certified investment information, were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America, and (b) the information in the 2022 financial statements 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). Their report also indicated that the form and content of the 2022 supplemental schedules, other than the information in the 2022 supplemental schedules that agreed to or is derived from the certified investment information, were presented, in all material **respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA**; and the information in the 2022 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 determines meets the requirements of ERISA Section 103(a)(3)(C).

CBIZ CPAs P.C.¹

Bakersfield, California
November 8, 2024

¹ In certain jurisdictions, CBIZ CPAs P.C. operates under its previous name, Mayer Hoffman McCann P.C.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Investments:		
Investments at net asset value:		
Prudential Stable Value Fund	\$ 12,042,848	\$ 12,559,234
Investments at fair value:		
Vanguard Federal Money Market Fund	4,730,988	4,773,343
Vanguard GNMA Fund	3,784,496	3,527,714
Vanguard Equity Income Fund	4,155,359	3,813,002
Dodge & Cox Income Fund	6,334,971	5,523,941
Vanguard Institutional Index Fund	6,939,194	5,674,859
Vanguard Total Stock Market Index Fund	5,184,517	4,069,365
Vanguard Wellesley Income Fund	978,813	1,102,516
American Growth Fund of America	12,944,521	10,711,623
Vanguard Growth Index Fund	3,609,318	2,777,254
T Rowe Price Midcap Growth Fund	2,734,473	2,262,480
Allspring Special Mid Cap Value Fund	2,255,520	2,055,248
American Washington Mutual Fund	4,248,183	3,746,410
Vanguard Mid Cap Index Fund	3,688,359	3,227,344
American Balanced Fund	3,234,508	3,102,238
American Beacon Small Cap Value Fund	592,787	485,245
Baron Small Cap Fund	3,659,049	3,302,126
Vanguard Small Cap Index Fund	744,750	685,592
Vanguard Inflation Protected Sec Fund	428,988	99,127
American Europacific Growth Fund	3,600,571	3,117,928
Oakmark International Fund	4,312,080	3,433,552
Vanguard Total International Index Fund	3,169,395	2,625,400
Other	<u>91</u>	<u>118</u>
Total investments at fair value	<u>81,330,931</u>	<u>70,116,425</u>
Total investments	93,373,779	82,675,659
Notes receivable from participants	<u>1,481,607</u>	<u>1,521,788</u>
Net assets available for benefits	<u>\$ 94,855,386</u>	<u>\$ 84,197,447</u>

See accompanying Independent Auditors' Report and Notes to Financial Statements

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS
YEAR ENDED SEPTEMBER 30, 2023

Investment income:	
Net appreciation in value of investments	\$ 10,201,113
Dividends	1,368,744
Interest income	213,877
Other income	<u>10,130</u>
Total investment	11,793,864
Interest income on notes receivable from participants:	74,181
Contributions:	
Company matching	663,798
Participant pre-tax elective salary deferrals	3,317,683
Participant Roth after-tax elective salary deferrals	348,349
Participant rollovers	<u>45,052</u>
Total contributions	4,374,882
Payments:	
Benefits paid to participants	5,532,516
Administrative expenses	<u>52,472</u>
Total payments	<u>5,584,988</u>
Net increase	10,657,939
Net assets available for benefits - September 30, 2022	<u>84,197,447</u>
Net assets available for benefits - September 30, 2023	<u>\$ 94,855,386</u>

See accompanying Independent Auditors' Report and Notes to Financial Statements

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE A – DESCRIPTION OF PLAN

The following description of the Foto-Kem Industries, Inc. 401(k) Plan (“Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

History – The Plan became effective July 1, 1993 with approval of the Board of Directors of Foto-Kem industries, Inc. (“Company”).

General – The Plan is a defined contribution plan covering employees of the Company who have completed at least 60 days of service and are not part-time, temporary or project-based employees as defined in the Plan documents. The Foto-Kem Industries, Inc. 401(k) Plan (the “Plan”) is a prototype non-standardized defined contribution profit sharing plan. The Plan allows participants to make elective salary deferral contributions (Section 401(k) contributions) and the Company to make matching salary deferral and discretionary profit sharing contributions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). At September 30, 2023, there were 700 participants in the Plan. The Board of Trustees is responsible for oversight of the Plan. The Administrative Committee determines the appropriateness of the Plan’s investment offerings, monitors investment performance and reports to the Plan’s Board of Trustees.

Effective April 1, 2022, Empower Annuity Insurance Company of America, the parent company of Empower Retirement, LLC (“Empower”) acquired Prudential Financial, Inc. including Prudential Bank & Trust, FSB (“Prudential Trust”). Following the initial transition period, Empower became the sole administrator of this business in 2022. The plan recordkeeping converted to the Empower platform effective February 2024.

Contributions – Each year, participants may contribute pretax and/or Roth annual compensation (as defined in the Plan) up to the limits defined by law. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Participants direct the investment of their contributions into the investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 2% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. The automatic deferral percentage will increase by 1% per year up to a maximum of 15% of eligible compensation. The Plan provides for the Company to make matching contributions in an amount of 50% of the participant’s elective salary deferral up to a maximum match of 1.5% of the participant’s compensation. The Company may also make a discretionary profit sharing contribution as determined each year by the Company’s Board of Directors. During the year ended September 30, 2023, no profit sharing contributions were authorized.

Participant Accounts – Each participant’s account is credited with the participant and Company contributions and allocations of Plan earnings (losses) and charged with an allocation of administrative expenses, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE A – DESCRIPTION OF PLAN (continued)

Vesting – Participants are immediately 100% vested in their elective deferrals, rollover contributions and qualified non-elective company contributions plus actual earnings (losses) thereon. Vesting in Company contributions plus actual earnings (losses) thereon will vest as follow:

<u>Years of Service Completed</u>	<u>Vesting Percentage</u>
2	20%
3	40%
4	60%
5	80%
6	100%

The Company contributions also become 100% vested upon reaching the normal retirement age of 65 or upon death or termination of employment because of a disability while employed by the Company.

Notes Receivable from Participants – Subject to certain limitations in the plan document, participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at rates which are commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest is paid ratably through payroll deductions. As of September 30, 2023, participant loans have maturities through 2052 at interest rates ranging from 3.25% to 9.25%.

Payment of Benefits – On termination of service due to reasons other than death, the vested benefits will be paid to the participant as a lump-sum distribution as soon as administratively feasible after employment is terminated. Distributions upon death can be elected, by the beneficiary, as lump sum or equal installment payments. In-service withdrawals of Company contributions are permitted under certain conditions. Participants who attain age 59-1/2 may request an in-service withdrawal to receive a distribution of all or any portion of their vested account.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Estimates – The preparation of financial statements in conformity with GAAP requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Valuation and Income Recognition – 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's Administrative Committee determines the Plan's valuation policies utilizing information provided by its investment advisers and custodian. See Note D Fair Value Measurements for discussion of fair value measurements. In accordance with the policy of stating investments at fair value, the Plan presents, in the statement of changes in net assets available for benefits, the net appreciation (depreciation) in the fair value of its investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments. Dividends are recorded on the ex-dividend date. Interest income is recorded on an accrual basis. Purchase and sales of securities are recorded on a trade-date basis.

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 charged directly to the borrowing participant's account and are included in administrative expenses when incurred. As of September 30, 2023 and 2022, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the Plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent participant note receivable is recorded as a benefit payment based on the terms of the plan document.

Payment of Benefits – Benefits are recorded when paid.

Administrative Expenses – Plan administrative expenses, including Trustee recordkeeping and custodial services, investment advisory fees, auditing fees and legal fees, are paid by the Plan to the extent of forfeited account balances and Trustee investment fee revenue sharing. During the year ended September 30, 2023, the Trustee investment fee revenue sharing totaled \$10,130. Amounts in excess are paid by the Company. At September 30, 2023 no unpaid administrative expenses had been accrued.

NOTE C – INFORMATION PREPARED AND CERTIFIED BY 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, Prudential Bank & Trust, FSB ("Prudential Trust") the Trustee of the Plan through March 31, 2023 and Empower Trust Company, LLC ("Empower Trust") thereafter, who held the assets and executed investment transactions of the Plan, have certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate.

	2023	2022
Total investments	\$ 93,373,779	\$ 82,675,659
Notes receivable from participants	\$ 1,481,607	\$ 1,521,788
Total investment income	\$ 11,793,864	
Interest income on notes receivable	\$ 74,181	

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE D – FAIR VALUE MEASUREMENTS

Accounting Standards Codification (ASC) 820 *Fair Value Measurements and Disclosures* (ASC 820), provides the framework for measuring fair value. Fair value of a financial instrument 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. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 Fair Value Measurements

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

Level 2 Fair Value Measurements

Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in inactive markets
- inputs other than quoted prices that are observable for the asset or liability
- inputs that are derived principally from, or corroborated by, observable market data by correlation or other means

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

Level 3 Fair Value Measurements

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2023 and 2022 (no *Level 2* and *3* assets exist):

Mutual funds – Valued at 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. All of the mutual funds listed under Investments at fair value totaling \$81,330,931 in 2023 and \$70,116,425 in 2022 were valued using level 1 fair value measurements.

Stable value fund: A stable value fund that is composed primarily of fully benefit-responsive investment contracts is valued at the NAV of units of the bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. Participant transactions (purchases and sales) may occur daily. If the Plan initiates a full redemption of the collective trust, the issuer reserves the right to require 12 months' notification in order to ensure that securities liquidations will be carried out in an orderly business manner. The stable value fund listed under Investments at net asset value totaled \$12,042,848 in 2023 and \$12,559,234 in 2022. In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE D – FAIR VALUE MEASUREMENTS (continued)

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

Investments Measured Using the Net Asset Value per Share Practical Expedient - The following table summarizes investments for which fair value is based on NAV per share as of December 31, 2023 and 2022, respectively. There are no participant redemption restrictions for these investments; the redemption notice period is applicable to the Plan.

					Redemption
Investments	Fair value 9/30/2023	Fair value 9/30/2022	Unfunded Commitments	Redemption frequency	Notice Period
Stable value fund	\$ 12,042,848	\$ 12,559,234	\$ -	Daily	N/A

NOTE E – RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed Prudential Trust. Prudential Trust, the trustee through March 31, 2023 as defined by the Plan. Starting April 1, 2023, Empower Trust was the trustee and the recordkeeper for the Plan and therefore, these transactions qualify as party-in-interest transactions. Fees paid for investment management services were included as a reduction of the return earned on each respective fund. The Plan also issues loans to participants, which are secured by the vested balances in the participants' accounts. All these transactions are considered exempt party-in-interest transactions.

NOTE F – PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan's sponsor has the right to terminate the Plan subject to the provisions of ERISA. In the event of whole or partial plan termination; participants would become fully vested as to the amount credited to their accounts after deductions for estimated liquidation and distribution expenses.

NOTE G – TAX STATUS

The Internal Revenue Service ("IRS") has determined that the prototype 401(k) profit sharing plan is designed in accordance with applicable sections of the IRC and informed trustee of such in a letter dated September 16, 2022. Although the Plan has been amended since receiving the opinion letter, the plan administrative committee/plan administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the IRC.

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Department of Labor or Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of September 30, 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any open tax periods in progress.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE H – RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term. Accordingly, such changes could and have materially affected participants' account balances and the amounts reported in the statements of net assets available for benefits as of September 30, 2023.

NOTE I – RECONCILIATION OF FORM 5500 TO FINANCIAL STATEMENTS

The financial statements for the year ended September 30, 2023 and 2022 agreed to the IRS Form 5500, Annual Return/Report of Employee Benefit Plan, except for the following:

	<u>2023</u>	<u>2022</u>
Net assets available for benefits per the financial statements	\$ 94,855,386	\$ 84,197,447
Deemed distributions of participant loans	<u>(79,532)</u>	<u>(79,532)</u>
Net assets per Form 5500	<u>\$ 94,775,854</u>	<u>\$ 84,117,915</u>
Net increase (decrease) in net assets available for benefits per the financial statements	\$ 10,657,939	\$ (19,214,191)
Deemed distributions of participant loans - prior year	79,532	106,064
Deemed distributions of participant loans - current year	<u>(79,532)</u>	<u>(79,532)</u>
Net income (loss) per Form 5500	<u>\$ 10,657,939</u>	<u>\$ (19,187,659)</u>

NOTE J – SUBSEQUENT EVENTS

Subsequent events were evaluated through November 8, 2024, which is the date the financial statements were available to be issued.

Effective January 1, 2025, the Plan adopted several amendments to implement force out distributions, add the option for hardship distributions and other related SECURE ACT updates.

SUPPLEMENTAL SCHEDULE

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 95-2269976 – PLAN NUMBER 002
SEPTEMBER 30, 2023

(a)	Identity of Issue, Borrower, Lessor or Similar Party	of Interest, Collateral, Par or Maturity Value	(d) Cost	Current Value
	Investments at net asset value:			
*	Prudential Stable Value Fund	9,874,449.0810 units	^	\$ 12,042,848
	Investments at fair value:			
	Vanguard Federal Money Market Fund	4,730,988.0900 shares	^	4,730,988
	Vanguard GNMA Fund	429,568.2737 shares	^	3,784,496
	Vanguard Equity Income Fund	50,693.6553 shares	^	4,155,359
	Dodge & Cox Income Fund	533,246.6887 shares	^	6,334,971
	Vanguard Institutional Index Fund	19,388.0966 shares	^	6,939,194
	Vanguard Total Stock Market Index Fund	50,135.5426 shares	^	5,184,517
	Vanguard Wellesley Income Fund	17,082.2444 shares	^	978,813
	American Growth Fund of America	217,262.8532 shares	^	12,944,521
	Vanguard Growth Index Fund	25,760.5998 shares	^	3,609,318
	T Rowe Price Midcap Growth Fund	28,585.3293 shares	^	2,734,473
	Allspring Special Mid Cap Value Fund	50,651.6940 shares	^	2,255,520
	American Washington Mutual Fund	80,412.3284 shares	^	4,248,183
	Vanguard Mid Cap Index Fund	14,300.9561 shares	^	3,688,359
	American Balanced Fund	109,458.8320 shares	^	3,234,508

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 95-2269976 – PLAN NUMBER 002
SEPTEMBER 30, 2023

Investments at fair value (continued):				
American Beacon Small Cap Value Fund	25,321.9543	shares	^	\$ 592,787
Baron Small Cap Fund	122,376.2195	shares	^	3,659,049
Vanguard Small Cap Index Fund	8,222.9176	shares	^	744,750
Vanguard Inflation Protected Sec Fund	19,117.1138	shares	^	428,988
American Europacific Growth Fund	70,104.5760	shares	^	3,600,571
Oakmark International Fund	171,590.9427	shares	^	4,312,080
Vanguard Total International Index Fund	110,278.1730	shares	^	3,169,395
Other	-	shares	^	91
Total investments at fair value				<u>81,330,931</u>
Total investments				93,373,779
* Notes receivable from participants	(1)		<u>-0-</u>	<u>1,481,607</u>
Total assets held at end of year				\$ <u>94,855,386</u>

* Party-in-interest

^ Cost information may be omitted for plan assets which are participant-directed.

(1) Loan terms range from one to five years, or up to thirty years for the purchase or refinancing of a primary residence. The loans are secured by the balance in the participant's account. Interest rates on participant loans range from 3.25% to 9.25%.

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210-0110
1210-0089**2022****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2022 or fiscal plan year beginning 10/01/2022 and ending 09/30/2023

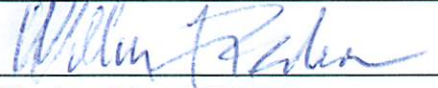
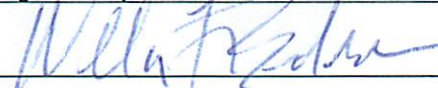
- A** This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☒ a single-employer plan ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first return/report ☐ the final return/report
- ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here. ☐
- D** Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program
- ☐ special extension (enter description) _____
- E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ☐

Part II Basic Plan Information—enter all requested information

1a Name of plan FOTO-KEM INDUSTRIES, INC. 401(K) PLAN	1b Three-digit plan number (PN) ▶ <u>002</u>
	1c Effective date of plan <u>07/01/1993</u>
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) FOTO-KEM INDUSTRIES, INC. 2801 W. ALAMEDA AVENUE BURBANK CA 91505	2b Employer Identification Number (EIN) <u>95-2269976</u>
	2c Plan Sponsor's telephone number <u>(818) 846-3101</u>
	2d Business code (see instructions) <u>512100</u>

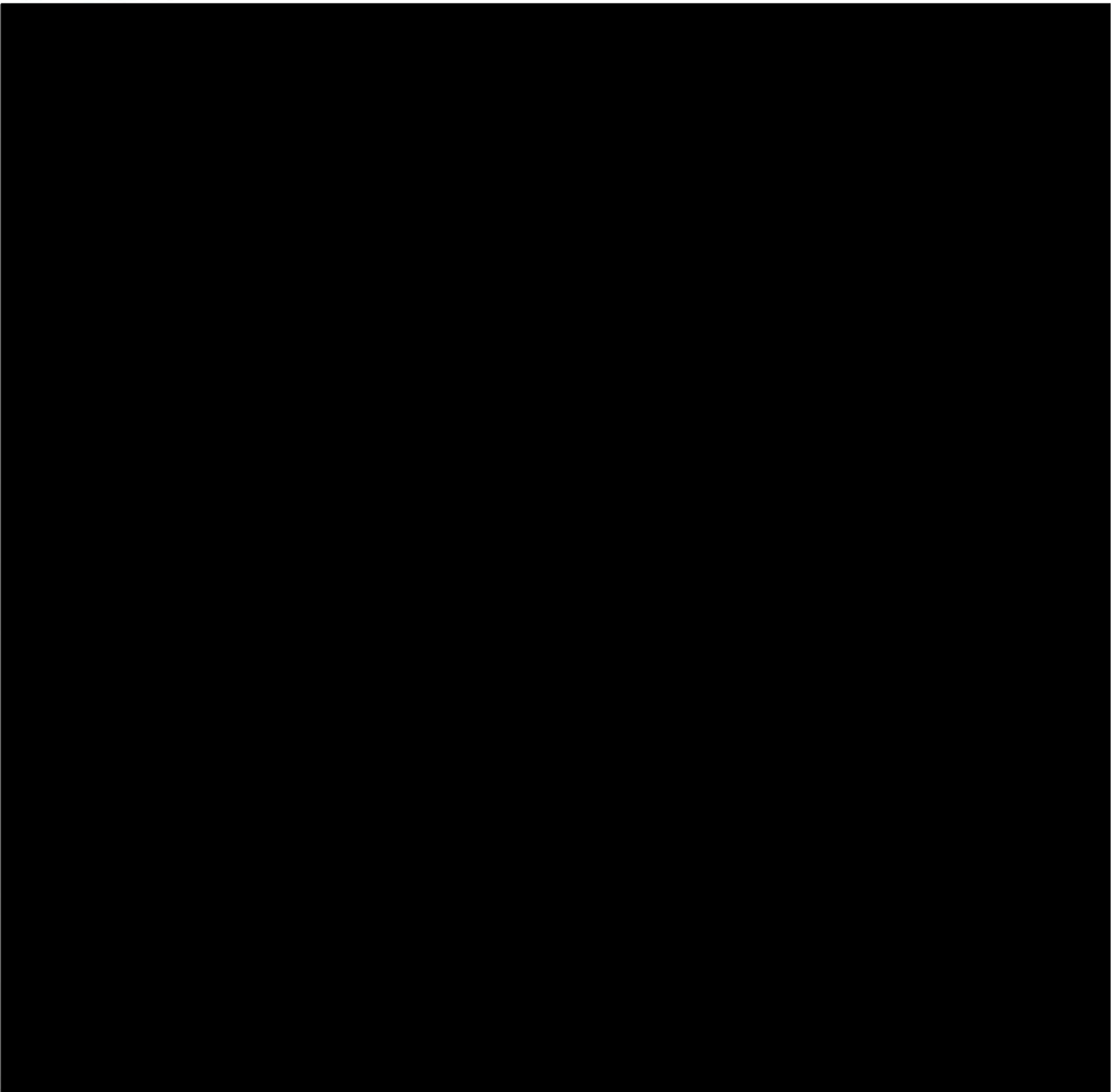
Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

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		<u>7-10-24</u>	WILLIAM F BRODERSEN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		<u>7-10-24</u>	WILLIAM F BRODERSEN
	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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2022)
v. 220413



**FOTO-KEM INDUSTRIES, INC.
401(k) PLAN**

FINANCIAL STATEMENTS
and
SUPPLEMENTAL SCHEDULE

SEPTEMBER 30, 2023

with
INDEPENDENT AUDITORS' REPORT



**FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE
SEPTEMBER 30, 2023**

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Schedule H, Line 4i - Schedule of Assets (Held at End of Year) September 30, 2023	14 - 15
Note:	
All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for reporting and Disclosure under the Employee Retirement Income Securities Act of 1974 have been omitted because they are not applicable.	



INDEPENDENT AUDITORS' REPORT

Administrative Committee
Foto-Kem Industries, Inc. 401(k) Plan

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

We have performed the audit of the financial statements of Foto-Kem Industries, Inc. 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 statement of net assets available for benefits as of September 30, 2023, the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit 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 September 30, 2023 and for the year then ended, stating that the certified investment information, as described in Note C to the financial statements, is complete and accurate.

Opinion on the 2023 Financial Statements

In our opinion, based on our audit 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 accompanying financial statements, 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 accompanying financial statements 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).



Basis for Opinion on the 2023 Financial Statements

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

Responsibilities of Management for the 2023 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 the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

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

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 for the Financial Statements 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on these financial statements.



In performing an audit in accordance with GAAS, we:

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

Our audit 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 Schedule Required by ERISA

The supplemental schedule, Schedule H line 4i – Schedule of Assets (Held at End of Year) as of September 30, 2023, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.



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

In our opinion:

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, 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 schedule related to assets held by Empower Retirement ("Empower") 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).

Other Matter - Auditors' Report on the 2022 Financial Statements

Predecessor auditors performed an audit of the 2022 financial statements of the Plan. 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**, the prior year audit did not extend to any statements or information related to assets held for investment of the Plan that were certified by a qualified institution. Their report dated July 14, 2023, indicated that (a) the amounts and disclosures in the 2022 financial statements, other than those agreed to or derived from the certified investment information, were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America, and (b) the information in the 2022 financial statements 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). Their report also indicated that the form and content of the 2022 supplemental schedules, other than the information in the 2022 supplemental schedules that agreed to or is derived from the certified investment information, were presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA; and the information in the 2022 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 determines meets the requirements of ERISA Section 103(a)(3)(C).

CBIZ CPAs P.C.¹

Bakersfield, California
November 8, 2024

¹ In certain jurisdictions, CBIZ CPAs P.C. operates under its previous name, Mayer Hoffman McCann P.C.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Investments:		
Investments at net asset value:		
Prudential Stable Value Fund	\$ 12,042,848	\$ 12,559,234
Investments at fair value:		
Vanguard Federal Money Market Fund	4,730,988	4,773,343
Vanguard GNMA Fund	3,784,496	3,527,714
Vanguard Equity Income Fund	4,155,359	3,813,002
Dodge & Cox Income Fund	6,334,971	5,523,941
Vanguard Institutional Index Fund	6,939,194	5,674,859
Vanguard Total Stock Market Index Fund	5,184,517	4,069,365
Vanguard Wellesley Income Fund	978,813	1,102,516
American Growth Fund of America	12,944,521	10,711,623
Vanguard Growth Index Fund	3,609,318	2,777,254
T Rowe Price Midcap Growth Fund	2,734,473	2,262,480
Allspring Special Mid Cap Value Fund	2,255,520	2,055,248
American Washington Mutual Fund	4,248,183	3,746,410
Vanguard Mid Cap Index Fund	3,688,359	3,227,344
American Balanced Fund	3,234,508	3,102,238
American Beacon Small Cap Value Fund	592,787	485,245
Baron Small Cap Fund	3,659,049	3,302,126
Vanguard Small Cap Index Fund	744,750	685,592
Vanguard Inflation Protected Sec Fund	428,988	99,127
American Europacific Growth Fund	3,600,571	3,117,928
Oakmark International Fund	4,312,080	3,433,552
Vanguard Total International Index Fund	3,169,395	2,625,400
Other	<u>91</u>	<u>118</u>
Total investments at fair value	<u>81,330,931</u>	<u>70,116,425</u>
Total investments	93,373,779	82,675,659
Notes receivable from participants	<u>1,481,607</u>	<u>1,521,788</u>
Net assets available for benefits	<u>\$ 94,855,386</u>	<u>\$ 84,197,447</u>

See accompanying Independent Auditors' Report and Notes to Financial Statements

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS
YEAR ENDED SEPTEMBER 30, 2023

Investment income:	
Net appreciation in value of investments	\$ 10,201,113
Dividends	1,368,744
Interest income	213,877
Other income	<u>10,130</u>
Total investment	11,793,864
Interest income on notes receivable from participants:	74,181
Contributions:	
Company matching	663,798
Participant pre-tax elective salary deferrals	3,317,683
Participant Roth after-tax elective salary deferrals	348,349
Participant rollovers	<u>45,052</u>
Total contributions	4,374,882
Payments:	
Benefits paid to participants	5,532,516
Administrative expenses	<u>52,472</u>
Total payments	<u>5,584,988</u>
Net increase	10,657,939
Net assets available for benefits - September 30, 2022	<u>84,197,447</u>
Net assets available for benefits - September 30, 2023	<u><u>\$ 94,855,386</u></u>

See accompanying Independent Auditors' Report and Notes to Financial Statements

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE A – DESCRIPTION OF PLAN

The following description of the Foto-Kem Industries, Inc. 401(k) Plan (“Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

History – The Plan became effective July 1, 1993 with approval of the Board of Directors of Foto-Kem industries, Inc. (“Company”).

General – The Plan is a defined contribution plan covering employees of the Company who have completed at least 60 days of service and are not part-time, temporary or project-based employees as defined in the Plan documents. The Foto-Kem Industries, Inc. 401(k) Plan (the “Plan”) is a prototype non-standardized defined contribution profit sharing plan. The Plan allows participants to make elective salary deferral contributions (Section 401(k) contributions) and the Company to make matching salary deferral and discretionary profit sharing contributions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). At September 30, 2023, there were 700 participants in the Plan. The Board of Trustees is responsible for oversight of the Plan. The Administrative Committee determines the appropriateness of the Plan’s investment offerings, monitors investment performance and reports to the Plan’s Board of Trustees.

Effective April 1, 2022, Empower Annuity Insurance Company of America, the parent company of Empower Retirement, LLC (“Empower”) acquired Prudential Financial, Inc. including Prudential Bank & Trust, FSB (“Prudential Trust”). Following the initial transition period, Empower became the sole administrator of this business in 2022. The plan recordkeeping converted to the Empower platform effective February 2024.

Contributions – Each year, participants may contribute pretax and/or Roth annual compensation (as defined in the Plan) up to the limits defined by law. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Participants direct the investment of their contributions into the investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 2% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. The automatic deferral percentage will increase by 1% per year up to a maximum of 15% of eligible compensation. The Plan provides for the Company to make matching contributions in an amount of 50% of the participant’s elective salary deferral up to a maximum match of 1.5% of the participant’s compensation. The Company may also make a discretionary profit sharing contribution as determined each year by the Company’s Board of Directors. During the year ended September 30, 2023, no profit sharing contributions were authorized.

Participant Accounts – Each participant’s account is credited with the participant and Company contributions and allocations of Plan earnings (losses) and charged with an allocation of administrative expenses, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE A – DESCRIPTION OF PLAN (continued)

Vesting – Participants are immediately 100% vested in their elective deferrals, rollover contributions and qualified non-elective company contributions plus actual earnings (losses) thereon. Vesting in Company contributions plus actual earnings (losses) thereon will vest as follow:

<u>Years of Service Completed</u>	<u>Vesting Percentage</u>
2	20%
3	40%
4	60%
5	80%
6	100%

The Company contributions also become 100% vested upon reaching the normal retirement age of 65 or upon death or termination of employment because of a disability while employed by the Company.

Notes Receivable from Participants – Subject to certain limitations in the plan document, participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at rates which are commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest is paid ratably through payroll deductions. As of September 30, 2023, participant loans have maturities through 2052 at interest rates ranging from 3.25% to 9.25%.

Payment of Benefits – On termination of service due to reasons other than death, the vested benefits will be paid to the participant as a lump-sum distribution as soon as administratively feasible after employment is terminated. Distributions upon death can be elected, by the beneficiary, as lump sum or equal installment payments. In-service withdrawals of Company contributions are permitted under certain conditions. Participants who attain age 59-1/2 may request an in-service withdrawal to receive a distribution of all or any portion of their vested account.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Estimates – The preparation of financial statements in conformity with GAAP requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Valuation and Income Recognition – 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's Administrative Committee determines the Plan's valuation policies utilizing information provided by its investment advisers and custodian. See Note D Fair Value Measurements for discussion of fair value measurements. In accordance with the policy of stating investments at fair value, the Plan presents, in the statement of changes in net assets available for benefits, the net appreciation (depreciation) in the fair value of its investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments. Dividends are recorded on the ex-dividend date. Interest income is recorded on an accrual basis. Purchase and sales of securities are recorded on a trade-date basis.

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 charged directly to the borrowing participant's account and are included in administrative expenses when incurred. As of September 30, 2023 and 2022, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the Plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent participant note receivable is recorded as a benefit payment based on the terms of the plan document.

Payment of Benefits – Benefits are recorded when paid.

Administrative Expenses – Plan administrative expenses, including Trustee recordkeeping and custodial services, investment advisory fees, auditing fees and legal fees, are paid by the Plan to the extent of forfeited account balances and Trustee investment fee revenue sharing. During the year ended September 30, 2023, the Trustee investment fee revenue sharing totaled \$10,130. Amounts in excess are paid by the Company. At September 30, 2023 no unpaid administrative expenses had been accrued.

NOTE C – INFORMATION PREPARED AND CERTIFIED BY 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, Prudential Bank & Trust, FSB ("Prudential Trust") the Trustee of the Plan through March 31, 2023 and Empower Trust Company, LLC ("Empower Trust") thereafter, who held the assets and executed investment transactions of the Plan, have certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate.

	2023	2022
Total investments	\$ 93,373,779	\$ 82,675,659
Notes receivable from participants	\$ 1,481,607	\$ 1,521,788
Total investment income	\$ 11,793,864	
Interest income on notes receivable	\$ 74,181	

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE D – FAIR VALUE MEASUREMENTS

Accounting Standards Codification (ASC) 820 *Fair Value Measurements and Disclosures* (ASC 820), provides the framework for measuring fair value. Fair value of a financial instrument 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. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 Fair Value Measurements

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

Level 2 Fair Value Measurements

Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in inactive markets
- inputs other than quoted prices that are observable for the asset or liability
- inputs that are derived principally from, or corroborated by, observable market data by correlation or other means

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

Level 3 Fair Value Measurements

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2023 and 2022 (no *Level 2* and *3* assets exist):

Mutual funds – Valued at 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. All of the mutual funds listed under Investments at fair value totaling \$81,330,931 in 2023 and \$70,116,425 in 2022 were valued using level 1 fair value measurements.

Stable value fund: A stable value fund that is composed primarily of fully benefit-responsive investment contracts is valued at the NAV of units of the bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. Participant transactions (purchases and sales) may occur daily. If the Plan initiates a full redemption of the collective trust, the issuer reserves the right to require 12 months' notification in order to ensure that securities liquidations will be carried out in an orderly business manner. The stable value fund listed under Investments at net asset value totaled \$12,042,848 in 2023 and \$12,559,234 in 2022. In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE D – FAIR VALUE MEASUREMENTS (continued)

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

Investments Measured Using the Net Asset Value per Share Practical Expedient - The following table summarizes investments for which fair value is based on NAV per share as of December 31, 2023 and 2022, respectively. There are no participant redemption restrictions for these investments; the redemption notice period is applicable to the Plan.

					Redemption
Investments	Fair value 9/30/2023	Fair value 9/30/2022	Unfunded Commitments	Redemption frequency	Notice Period
Stable value fund	\$ 12,042,848	\$ 12,559,234	\$ -	Daily	N/A

NOTE E – RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed Prudential Trust. Prudential Trust, the trustee through March 31, 2023 as defined by the Plan. Starting April 1, 2023, Empower Trust was the trustee and the recordkeeper for the Plan and therefore, these transactions qualify as party-in-interest transactions. Fees paid for investment management services were included as a reduction of the return earned on each respective fund. The Plan also issues loans to participants, which are secured by the vested balances in the participants' accounts. All these transactions are considered exempt party-in-interest transactions.

NOTE F – PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan's sponsor has the right to terminate the Plan subject to the provisions of ERISA. In the event of whole or partial plan termination; participants would become fully vested as to the amount credited to their accounts after deductions for estimated liquidation and distribution expenses.

NOTE G – TAX STATUS

The Internal Revenue Service ("IRS") has determined that the prototype 401(k) profit sharing plan is designed in accordance with applicable sections of the IRC and informed trustee of such in a letter dated September 16, 2022. Although the Plan has been amended since receiving the opinion letter, the plan administrative committee/plan administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the IRC.

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Department of Labor or Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of September 30, 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any open tax periods in progress.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE H – RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term. Accordingly, such changes could and have materially affected participants' account balances and the amounts reported in the statements of net assets available for benefits as of September 30, 2023.

NOTE I – RECONCILIATION OF FORM 5500 TO FINANCIAL STATEMENTS

The financial statements for the year ended September 30, 2023 and 2022 agreed to the IRS Form 5500, Annual Return/Report of Employee Benefit Plan, except for the following:

	<u>2023</u>	<u>2022</u>
Net assets available for benefits per the financial statements	\$ 94,855,386	\$ 84,197,447
Deemed distributions of participant loans	<u>(79,532)</u>	<u>(79,532)</u>
Net assets per Form 5500	<u>\$ 94,775,854</u>	<u>\$ 84,117,915</u>
Net increase (decrease) in net assets available for benefits per the financial statements	\$ 10,657,939	\$ (19,214,191)
Deemed distributions of participant loans - prior year	79,532	106,064
Deemed distributions of participant loans - current year	<u>(79,532)</u>	<u>(79,532)</u>
Net income (loss) per Form 5500	<u>\$ 10,657,939</u>	<u>\$ (19,187,659)</u>

NOTE J – SUBSEQUENT EVENTS

Subsequent events were evaluated through November 8, 2024, which is the date the financial statements were available to be issued.

Effective January 1, 2025, the Plan adopted several amendments to implement force out distributions, add the option for hardship distributions and other related SECURE ACT updates.

SUPPLEMENTAL SCHEDULE

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 95-2269976 – PLAN NUMBER 002
SEPTEMBER 30, 2023

(a)	Identity of Issue, Borrower, Lessor or Similar Party	of Interest, Collateral, Par or Maturity Value	(d) Cost	Current Value
	Investments at net asset value:			
*	Prudential Stable Value Fund	9,874,449.0810 units	^	\$ 12,042,848
	Investments at fair value:			
	Vanguard Federal Money Market Fund	4,730,988.0900 shares	^	4,730,988
	Vanguard GNMA Fund	429,568.2737 shares	^	3,784,496
	Vanguard Equity Income Fund	50,693.6553 shares	^	4,155,359
	Dodge & Cox Income Fund	533,246.6887 shares	^	6,334,971
	Vanguard Institutional Index Fund	19,388.0966 shares	^	6,939,194
	Vanguard Total Stock Market Index Fund	50,135.5426 shares	^	5,184,517
	Vanguard Wellesley Income Fund	17,082.2444 shares	^	978,813
	American Growth Fund of America	217,262.8532 shares	^	12,944,521
	Vanguard Growth Index Fund	25,760.5998 shares	^	3,609,318
	T Rowe Price Midcap Growth Fund	28,585.3293 shares	^	2,734,473
	Allspring Special Mid Cap Value Fund	50,651.6940 shares	^	2,255,520
	American Washington Mutual Fund	80,412.3284 shares	^	4,248,183
	Vanguard Mid Cap Index Fund	14,300.9561 shares	^	3,688,359
	American Balanced Fund	109,458.8320 shares	^	3,234,508

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 95-2269976 – PLAN NUMBER 002
SEPTEMBER 30, 2023

Investments at fair value (continued):				
American Beacon Small Cap Value Fund	25,321.9543	shares	^	\$ 592,787
Baron Small Cap Fund	122,376.2195	shares	^	3,659,049
Vanguard Small Cap Index Fund	8,222.9176	shares	^	744,750
Vanguard Inflation Protected Sec Fund	19,117.1138	shares	^	428,988
American Europacific Growth Fund	70,104.5760	shares	^	3,600,571
Oakmark International Fund	171,590.9427	shares	^	4,312,080
Vanguard Total International Index Fund	110,278.1730	shares	^	3,169,395
Other	-	shares	^	91
Total investments at fair value				<u>81,330,931</u>
Total investments				93,373,779
* Notes receivable from participants	(1)		<u>-0-</u>	<u>1,481,607</u>
Total assets held at end of year				\$ <u>94,855,386</u>

* Party-in-interest

^ Cost information may be omitted for plan assets which are participant-directed.

(1) Loan terms range from one to five years, or up to thirty years for the purchase or refinancing of a primary residence. The loans are secured by the balance in the participant's account. Interest rates on participant loans range from 3.25% to 9.25%.

**FOTO-KEM INDUSTRIES, INC.
401(k) PLAN**

FINANCIAL STATEMENTS
and
SUPPLEMENTAL SCHEDULE

SEPTEMBER 30, 2023

with
INDEPENDENT AUDITORS' REPORT



FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE
SEPTEMBER 30, 2023

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INDEPENDENT AUDITORS' REPORT

Administrative Committee
Foto-Kem Industries, Inc. 401(k) Plan

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

We have performed the audit of the financial statements of Foto-Kem Industries, Inc. 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 statement of net assets available for benefits as of September 30, 2023, the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit 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 September 30, 2023 and for the year then ended, stating that the certified investment information, as described in Note C to the financial statements, is complete and accurate.

Opinion on the 2023 Financial Statements

In our opinion, based on our audit 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 accompanying financial statements, 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 accompanying financial statements 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).



Basis for Opinion on the 2023 Financial Statements

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

Responsibilities of Management for the 2023 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 the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

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

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 for the Financial Statements 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on these financial statements.



In performing an audit in accordance with GAAS, we:

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

Our audit 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 Schedule Required by ERISA

The supplemental schedule, Schedule H line 4i – Schedule of Assets (Held at End of Year) as of September 30, 2023, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.



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

In our opinion:

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, 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 schedule related to assets held by Empower Retirement ("Empower") 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).

Other Matter - Auditors' Report on the 2022 Financial Statements

Predecessor auditors performed an audit of the 2022 financial statements of the Plan. 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**, the prior year audit did not extend to any statements or information related to assets held for investment of the Plan that were certified by a qualified institution. Their report dated July 14, 2023, indicated that (a) the amounts and disclosures in the 2022 financial statements, other than those agreed to or derived from the certified investment information, were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America, and (b) the information in the 2022 financial statements 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). Their report also indicated that the form and content of the 2022 supplemental schedules, other than the information in the 2022 supplemental schedules that agreed to or is derived from the certified investment information, were presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA; and the information in the 2022 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 determines meets the requirements of ERISA Section 103(a)(3)(C).

CBIZ CPAs P.C.¹

Bakersfield, California
November 8, 2024

¹ In certain jurisdictions, CBIZ CPAs P.C. operates under its previous name, Mayer Hoffman McCann P.C.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Investments:		
Investments at net asset value:		
Prudential Stable Value Fund	\$ 12,042,848	\$ 12,559,234
Investments at fair value:		
Vanguard Federal Money Market Fund	4,730,988	4,773,343
Vanguard GNMA Fund	3,784,496	3,527,714
Vanguard Equity Income Fund	4,155,359	3,813,002
Dodge & Cox Income Fund	6,334,971	5,523,941
Vanguard Institutional Index Fund	6,939,194	5,674,859
Vanguard Total Stock Market Index Fund	5,184,517	4,069,365
Vanguard Wellesley Income Fund	978,813	1,102,516
American Growth Fund of America	12,944,521	10,711,623
Vanguard Growth Index Fund	3,609,318	2,777,254
T Rowe Price Midcap Growth Fund	2,734,473	2,262,480
Allspring Special Mid Cap Value Fund	2,255,520	2,055,248
American Washington Mutual Fund	4,248,183	3,746,410
Vanguard Mid Cap Index Fund	3,688,359	3,227,344
American Balanced Fund	3,234,508	3,102,238
American Beacon Small Cap Value Fund	592,787	485,245
Baron Small Cap Fund	3,659,049	3,302,126
Vanguard Small Cap Index Fund	744,750	685,592
Vanguard Inflation Protected Sec Fund	428,988	99,127
American Europacific Growth Fund	3,600,571	3,117,928
Oakmark International Fund	4,312,080	3,433,552
Vanguard Total International Index Fund	3,169,395	2,625,400
Other	<u>91</u>	<u>118</u>
Total investments at fair value	<u>81,330,931</u>	<u>70,116,425</u>
Total investments	93,373,779	82,675,659
Notes receivable from participants	<u>1,481,607</u>	<u>1,521,788</u>
Net assets available for benefits	<u>\$ 94,855,386</u>	<u>\$ 84,197,447</u>

See accompanying Independent Auditors' Report and Notes to Financial Statements

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS
YEAR ENDED SEPTEMBER 30, 2023

Investment income:	
Net appreciation in value of investments	\$ 10,201,113
Dividends	1,368,744
Interest income	213,877
Other income	<u>10,130</u>
Total investment	11,793,864
Interest income on notes receivable from participants:	74,181
Contributions:	
Company matching	663,798
Participant pre-tax elective salary deferrals	3,317,683
Participant Roth after-tax elective salary deferrals	348,349
Participant rollovers	<u>45,052</u>
Total contributions	4,374,882
Payments:	
Benefits paid to participants	5,532,516
Administrative expenses	<u>52,472</u>
Total payments	<u>5,584,988</u>
Net increase	10,657,939
Net assets available for benefits - September 30, 2022	<u>84,197,447</u>
Net assets available for benefits - September 30, 2023	<u>\$ 94,855,386</u>

See accompanying Independent Auditors' Report and Notes to Financial Statements

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE A – DESCRIPTION OF PLAN

The following description of the Foto-Kem Industries, Inc. 401(k) Plan (“Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

History – The Plan became effective July 1, 1993 with approval of the Board of Directors of Foto-Kem industries, Inc. (“Company”).

General – The Plan is a defined contribution plan covering employees of the Company who have completed at least 60 days of service and are not part-time, temporary or project-based employees as defined in the Plan documents. The Foto-Kem Industries, Inc. 401(k) Plan (the “Plan”) is a prototype non-standardized defined contribution profit sharing plan. The Plan allows participants to make elective salary deferral contributions (Section 401(k) contributions) and the Company to make matching salary deferral and discretionary profit sharing contributions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). At September 30, 2023, there were 700 participants in the Plan. The Board of Trustees is responsible for oversight of the Plan. The Administrative Committee determines the appropriateness of the Plan’s investment offerings, monitors investment performance and reports to the Plan’s Board of Trustees.

Effective April 1, 2022, Empower Annuity Insurance Company of America, the parent company of Empower Retirement, LLC (“Empower”) acquired Prudential Financial, Inc. including Prudential Bank & Trust, FSB (“Prudential Trust”). Following the initial transition period, Empower became the sole administrator of this business in 2022. The plan recordkeeping converted to the Empower platform effective February 2024.

Contributions – Each year, participants may contribute pretax and/or Roth annual compensation (as defined in the Plan) up to the limits defined by law. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Participants direct the investment of their contributions into the investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 2% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. The automatic deferral percentage will increase by 1% per year up to a maximum of 15% of eligible compensation. The Plan provides for the Company to make matching contributions in an amount of 50% of the participant’s elective salary deferral up to a maximum match of 1.5% of the participant’s compensation. The Company may also make a discretionary profit sharing contribution as determined each year by the Company’s Board of Directors. During the year ended September 30, 2023, no profit sharing contributions were authorized.

Participant Accounts – Each participant’s account is credited with the participant and Company contributions and allocations of Plan earnings (losses) and charged with an allocation of administrative expenses, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE A – DESCRIPTION OF PLAN (continued)

Vesting – Participants are immediately 100% vested in their elective deferrals, rollover contributions and qualified non-elective company contributions plus actual earnings (losses) thereon. Vesting in Company contributions plus actual earnings (losses) thereon will vest as follow:

Years of Service Completed	Vesting Percentage
2	20%
3	40%
4	60%
5	80%
6	100%

The Company contributions also become 100% vested upon reaching the normal retirement age of 65 or upon death or termination of employment because of a disability while employed by the Company.

Notes Receivable from Participants – Subject to certain limitations in the plan document, participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at rates which are commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest is paid ratably through payroll deductions. As of September 30, 2023, participant loans have maturities through 2052 at interest rates ranging from 3.25% to 9.25%.

Payment of Benefits – On termination of service due to reasons other than death, the vested benefits will be paid to the participant as a lump-sum distribution as soon as administratively feasible after employment is terminated. Distributions upon death can be elected, by the beneficiary, as lump sum or equal installment payments. In-service withdrawals of Company contributions are permitted under certain conditions. Participants who attain age 59-1/2 may request an in-service withdrawal to receive a distribution of all or any portion of their vested account.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Estimates – The preparation of financial statements in conformity with GAAP requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Valuation and Income Recognition – 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's Administrative Committee determines the Plan's valuation policies utilizing information provided by its investment advisers and custodian. See Note D Fair Value Measurements for discussion of fair value measurements. In accordance with the policy of stating investments at fair value, the Plan presents, in the statement of changes in net assets available for benefits, the net appreciation (depreciation) in the fair value of its investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments. Dividends are recorded on the ex-dividend date. Interest income is recorded on an accrual basis. Purchase and sales of securities are recorded on a trade-date basis.

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 charged directly to the borrowing participant's account and are included in administrative expenses when incurred. As of September 30, 2023 and 2022, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the Plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent participant note receivable is recorded as a benefit payment based on the terms of the plan document.

Payment of Benefits – Benefits are recorded when paid.

Administrative Expenses – Plan administrative expenses, including Trustee recordkeeping and custodial services, investment advisory fees, auditing fees and legal fees, are paid by the Plan to the extent of forfeited account balances and Trustee investment fee revenue sharing. During the year ended September 30, 2023, the Trustee investment fee revenue sharing totaled \$10,130. Amounts in excess are paid by the Company. At September 30, 2023 no unpaid administrative expenses had been accrued.

NOTE C – INFORMATION PREPARED AND CERTIFIED BY 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, Prudential Bank & Trust, FSB ("Prudential Trust") the Trustee of the Plan through March 31, 2023 and Empower Trust Company, LLC ("Empower Trust") thereafter, who held the assets and executed investment transactions of the Plan, have certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate.

		2023		2022
Total investments	\$	93,373,779	\$	82,675,659
Notes receivable from participants	\$	1,481,607	\$	1,521,788
Total investment income	\$	11,793,864		
Interest income on notes receivable	\$	74,181		

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE D – FAIR VALUE MEASUREMENTS

Accounting Standards Codification (ASC) 820 *Fair Value Measurements and Disclosures* (ASC 820), provides the framework for measuring fair value. Fair value of a financial instrument 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. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 Fair Value Measurements

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

Level 2 Fair Value Measurements

Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in inactive markets
- inputs other than quoted prices that are observable for the asset or liability
- inputs that are derived principally from, or corroborated by, observable market data by correlation or other means

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

Level 3 Fair Value Measurements

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2023 and 2022 (no *Level 2* and *3* assets exist):

Mutual funds – Valued at 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. All of the mutual funds listed under Investments at fair value totaling \$81,330,931 in 2023 and \$70,116,425 in 2022 were valued using level 1 fair value measurements.

Stable value fund: A stable value fund that is composed primarily of fully benefit-responsive investment contracts is valued at the NAV of units of the bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. Participant transactions (purchases and sales) may occur daily. If the Plan initiates a full redemption of the collective trust, the issuer reserves the right to require 12 months' notification in order to ensure that securities liquidations will be carried out in an orderly business manner. The stable value fund listed under Investments at net asset value totaled \$12,042,848 in 2023 and \$12,559,234 in 2022. In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE D – FAIR VALUE MEASUREMENTS (continued)

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

Investments Measured Using the Net Asset Value per Share Practical Expedient - The following table summarizes investments for which fair value is based on NAV per share as of December 31, 2023 and 2022, respectively. There are no participant redemption restrictions for these investments; the redemption notice period is applicable to the Plan.

					Redemption
Investments	Fair value	Fair value	Unfunded	Redemption	Notice
	9/30/2023	9/30/2022	Commitments	frequency	Period
Stable value fund	\$ 12,042,848	\$ 12,559,234	\$ -	Daily	N/A

NOTE E – RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed Prudential Trust. Prudential Trust, the trustee through March 31, 2023 as defined by the Plan. Starting April 1, 2023, Empower Trust was the trustee and the recordkeeper for the Plan and therefore, these transactions qualify as party-in-interest transactions. Fees paid for investment management services were included as a reduction of the return earned on each respective fund. The Plan also issues loans to participants, which are secured by the vested balances in the participants' accounts. All these transactions are considered exempt party-in-interest transactions.

NOTE F – PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan's sponsor has the right to terminate the Plan subject to the provisions of ERISA. In the event of whole or partial plan termination; participants would become fully vested as to the amount credited to their accounts after deductions for estimated liquidation and distribution expenses.

NOTE G – TAX STATUS

The Internal Revenue Service ("IRS") has determined that the prototype 401(k) profit sharing plan is designed in accordance with applicable sections of the IRC and informed trustee of such in a letter dated September 16, 2022. Although the Plan has been amended since receiving the opinion letter, the plan administrative committee/plan administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the IRC.

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Department of Labor or Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of September 30, 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any open tax periods in progress.

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE H – RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term. Accordingly, such changes could and have materially affected participants' account balances and the amounts reported in the statements of net assets available for benefits as of September 30, 2023.

NOTE I – RECONCILIATION OF FORM 5500 TO FINANCIAL STATEMENTS

The financial statements for the year ended September 30, 2023 and 2022 agreed to the IRS Form 5500, Annual Return/Report of Employee Benefit Plan, except for the following:

	<u>2023</u>	<u>2022</u>
Net assets available for benefits per the financial statements	\$ 94,855,386	\$ 84,197,447
Deemed distributions of participant loans	<u>(79,532)</u>	<u>(79,532)</u>
Net assets per Form 5500	<u>\$ 94,775,854</u>	<u>\$ 84,117,915</u>
Net increase (decrease) in net assets available for benefits per the financial statements	\$ 10,657,939	\$ (19,214,191)
Deemed distributions of participant loans - prior year	79,532	106,064
Deemed distributions of participant loans - current year	<u>(79,532)</u>	<u>(79,532)</u>
Net income (loss) per Form 5500	<u>\$ 10,657,939</u>	<u>\$ (19,187,659)</u>

NOTE J – SUBSEQUENT EVENTS

Subsequent events were evaluated through November 8, 2024, which is the date the financial statements were available to be issued.

Effective January 1, 2025, the Plan adopted several amendments to implement force out distributions, add the option for hardship distributions and other related SECURE ACT updates.

SUPPLEMENTAL SCHEDULE

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 95-2269976 – PLAN NUMBER 002
SEPTEMBER 30, 2023

(a)	Identity of Issue, Borrower, Lessor or Similar Party	of Interest, Collateral, Par or Maturity Value	(d) Cost	Current Value
	Investments at net asset value:			
*	Prudential Stable Value Fund	9,874,449.0810 units	^	\$ 12,042,848
	Investments at fair value:			
	Vanguard Federal Money Market Fund	4,730,988.0900 shares	^	4,730,988
	Vanguard GNMA Fund	429,568.2737 shares	^	3,784,496
	Vanguard Equity Income Fund	50,693.6553 shares	^	4,155,359
	Dodge & Cox Income Fund	533,246.6887 shares	^	6,334,971
	Vanguard Institutional Index Fund	19,388.0966 shares	^	6,939,194
	Vanguard Total Stock Market Index Fund	50,135.5426 shares	^	5,184,517
	Vanguard Wellesley Income Fund	17,082.2444 shares	^	978,813
	American Growth Fund of America	217,262.8532 shares	^	12,944,521
	Vanguard Growth Index Fund	25,760.5998 shares	^	3,609,318
	T Rowe Price Midcap Growth Fund	28,585.3293 shares	^	2,734,473
	Allspring Special Mid Cap Value Fund	50,651.6940 shares	^	2,255,520
	American Washington Mutual Fund	80,412.3284 shares	^	4,248,183
	Vanguard Mid Cap Index Fund	14,300.9561 shares	^	3,688,359
	American Balanced Fund	109,458.8320 shares	^	3,234,508

FOTO-KEM INDUSTRIES, INC.
401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 95-2269976 – PLAN NUMBER 002
SEPTEMBER 30, 2023

Investments at fair value (continued):				
American Beacon Small Cap Value Fund	25,321.9543	shares	^	\$ 592,787
Baron Small Cap Fund	122,376.2195	shares	^	3,659,049
Vanguard Small Cap Index Fund	8,222.9176	shares	^	744,750
Vanguard Inflation Protected Sec Fund	19,117.1138	shares	^	428,988
American Europacific Growth Fund	70,104.5760	shares	^	3,600,571
Oakmark International Fund	171,590.9427	shares	^	4,312,080
Vanguard Total International Index Fund	110,278.1730	shares	^	3,169,395
Other	-	shares	^	91
Total investments at fair value				<u>81,330,931</u>
Total investments				93,373,779
* Notes receivable from participants	(1)		<u>-0-</u>	<u>1,481,607</u>
Total assets held at end of year				\$ <u>94,855,386</u>

* Party-in-interest

^ Cost information may be omitted for plan assets which are participant-directed.

(1) Loan terms range from one to five years, or up to thirty years for the purchase or refinancing of a primary residence. The loans are secured by the balance in the participant's account. Interest rates on participant loans range from 3.25% to 9.25%.