

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

Part II	Basic Plan Information—enter all requested information
1a	Name of plan SGI, INC. 401(K) PROFIT SHARING PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 01/01/1997
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) SGI, INC. 1550 SCENI AVE, SUITE 150 COSTA MESA, CA 92626
2b	Employer Identification Number (EIN) 22-2365834
2c	Plan Sponsor's telephone number 949-955-1250
2d	Business code (see instructions) 541990

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.	11/25/2024	PAMELA GREENE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 170
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 107 6a(2) 148 6b 0 6c 39 6d 187 6e 0 6f 187 6g(1) 168 6g(2) 174 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

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

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

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

a Pension Schedules

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

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached 0
- (4) ☒ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2023 Form M-1 annual report. If the plan was not required to file the 2023 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

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

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan SGI, INC. 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 SGI, INC.	D Employer Identification Number (EIN) 22-2365834	

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
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

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

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

MORGAN STANLEY SMITH BARNEY LLC

20-8764829

(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?
26	INVESTMENT ADVISOR	6983	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	5548	Yes ☒ No ☐	Yes ☒ No ☐	0	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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
FH CAP PRESRVN ISP 1001 LIBERTY AVENUE PITTSBURGH, PA 15222	0.30%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
VE INTL INV GOLD I - SS&C GIDS, IN 2000 CROWN COLONY DRIVE, QUINCY, MA 02169	0.10%	
(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:	WRIGHT FORD YOUNG AND CO	b EIN:	95-3288054
c Position:			
d Address:	16140 SAND CANYON AVE IRVINE, CA 92618	e Telephone:	949-910-2727

Explanation: PRICING

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration		DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.		OMB No. 1210-0110 2023 This Form is Open to Public Inspection.	
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023					
A Name of plan SGI, INC. 401(K) PROFIT SHARING PLAN				B Three-digit plan number (PN) ▶ 001	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 SGI, INC.				D Employer Identification Number (EIN) 22-2365834	
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)					
a Name of MTIA, CCT, PSA, or 103-12 IE: FH CAP PRESRVN ISP					
b Name of sponsor of entity listed in (a): FEDERATED INVESTORS TRUST COMPANY					
c EIN-PN 22-2712853-001		d Entity code C		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 60303	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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	

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

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

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

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

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan SGI, INC. 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 SGI, INC.	D Employer Identification Number (EIN) 22-2365834	

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	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	133165
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	128327	231637
(9) Value of interest in common/collective trusts	1c(9)	1832653	60303
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	7836034	12080361
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	0	0
(15) Other	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	9797014	12505466
Liabilities			
g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	9797014	12505466

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)	313836	
(B) Participants	2a(1)(B)	1030557	
(C) Others (including rollovers)	2a(1)(C)	51079	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1395472
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1161	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	10733	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		11894
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	330074	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		330074
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		298336
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		1234833
c Other income	2c		-1225
d Total income. Add all income amounts in column (b) and enter total	2d		3269384

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	547328	
(2) To insurance carriers for the provision of benefits.....	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		547328
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses:			
(1) Salaries and allowances	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Recordkeeping fees.....	2i(3)	6588	
(4) IQPA audit fees.....	2i(4)	0	
(5) Investment advisory and investment management fees	2i(5)	33	
(6) Bank or trust company trustee/custodial fees	2i(6)	0	
(7) Actuarial fees	2i(7)	0	
(8) Legal fees	2i(8)	0	
(9) Valuation/appraisal fees	2i(9)	0	
(10) Other trustee fees and expenses	2i(10)	0	
(11) Other expenses	2i(11)	6983	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		13604
j Total expenses. Add all expense amounts in column (b) and enter total	2j		560932

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2708452
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: **LEVITZACKS CPAS, LLP**

(2) EIN: **99-0515975**

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	☒	☐	453997
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	☐	☒	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	☐	☒	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	☐	☒	
e Was this plan covered by a fidelity bond?	☒	☐	500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	☐	☒	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	☐	☒	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	☐	☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒	☐	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	☐	☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	☐	☒	
l Has the plan failed to provide any benefit when due under the plan?	☐	☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	☒	☐	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	☒	☐	

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection.
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan SGI, INC. 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) 001	
C Plan sponsor's name as shown on line 2a of Form 5500 SGI, INC.	D Employer Identification Number (EIN) 22-2365834	

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	
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): 57-1198022 04-6568107 Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? If the plan is a defined benefit plan, go to line 8.	☐ Yes ☐ No ☐ N/A						
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) b Enter the amount contributed by the employer to the plan for this plan year 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) If you completed line 6c, skip lines 8 and 9.	<table><tr><td>6a</td><td></td></tr><tr><td>6b</td><td></td></tr><tr><td>6c</td><td></td></tr></table>	6a		6b		6c	
6a							
6b							
6c							
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes ☐ No ☐ N/A						
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes ☐ No ☐ N/A						

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

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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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? 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 ☐ Yes ☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes ☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐	
19 If the total number of participants is 1,000 or more, complete lines (a) and (b):	
a Enter the percentage of plan assets held as: Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____% High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%	
b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets: ☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more	
20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.	
a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No	
b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:	
☐ Yes.	
☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.	
☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.	
☐ No. Other. Provide explanation. _____	

Part VII	IRS Compliance Questions
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21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☐ Yes ☒ No	
21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).	
☐ Design-based safe harbor method	
☐ "Prior year" ADP test	
☒ "Current year" ADP test	
☐ N/A	
22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter <u>06 / 30 / 2020</u> (MM/DD/YYYY) and the Opinion Letter serial number <u>Q702438A</u> .	

SGL, Inc. 401(k) Profit Sharing Plan
Financial Statements and Supplemental Schedules
Years Ended December 31, 2023 and 2022

LEVITZACKS CPAs, LLP
451 A STREET, SUITE 500
SAN DIEGO, CA 92101



INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of the
SGI, Inc. 401(k) Profit Sharing Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2023 Financial Statements

We have performed an audit of the financial statements of SGI, Inc. 401(k) Profit Sharing 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 December 31, 2023, and 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 SGI, Inc. 401(k) Profit Sharing 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 certifications from qualified institutions as of and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2023 Financial Statements

In our opinion, based on the audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2023 Financial Statements section—

- the amounts and disclosures in the 2023 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.



INDEPENDENT AUDITOR'S REPORT (continued)

Opinion on the 2023 Financial Statements (continued)

- the information in the 2023 financial statements referred to above related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

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 Auditor's Responsibilities for the Audit of the 2023 Financial Statements section of our report. We are required to be independent of SGI, Inc. 401(k) Profit Sharing 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 did 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 SGI, Inc. 401(k) Profit Sharing Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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



INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the 2023 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2023 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the 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 SGI, Inc. 401(k) Profit Sharing 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 SGI, Inc. 401(k) Profit Sharing Plan's ability to continue as a going concern for a reasonable period of time.



INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the 2023 Financial Statements (continued)

Our audit did not extend to the certified investment information, except for obtaining and reading the certifications, comparing the certified investment information with the related information presented and disclosed in the 2023 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 Matters

2023 Supplemental Schedules Required by ERISA

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



INDEPENDENT AUDITOR'S REPORT
(continued)

Other Matters (continued)

2023 Supplemental Schedules Required by ERISA (continued)

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

In our opinion—

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

Auditor's Report on the 2022 Financial Statements

The financial statements of SGI, Inc. 401(k) Profit Sharing Plan as of December 31, 2022, were audited by predecessor auditors. 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 October 4, 2023 indicated that in their opinion (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 schedule, other than the information in the 2022 supplemental schedule that agrees to or is derived from the certified investment information, was presented, in all



INDEPENDENT AUDITOR'S REPORT
(continued)

Auditor's Report on the 2022 Financial Statements (continued)

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 schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

A handwritten signature in black ink that reads "Levitzacks". The signature is written in a cursive, flowing style.

LEVITZACKS CPAs, LLP
San Diego, California
November 25, 2024

SGI, Inc. 401(k) Profit Sharing Plan
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets:		
Investments, at fair value		
Registered investment companies	\$ 12,213,526	\$ 7,836,034
Common collective trusts	<u>60,303</u>	<u>1,832,653</u>
Total investments	12,273,829	9,668,687
Company contributions receivable	41,340	-
Participant contributions receivable	12,402	-
Notes receivable from participants	<u>231,637</u>	<u>128,327</u>
Total assets	<u>12,559,208</u>	<u>9,797,014</u>
Net assets available for benefits	<u><u>\$ 12,559,208</u></u>	<u><u>\$ 9,797,014</u></u>

See accompanying notes to financial statements.

S&G, Inc. 401(k) Profit Sharing Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Additions to net assets:		
Participant contributions	\$ 1,071,897	\$ 822,710
Company contributions	326,238	245,913
Rollover contributions	51,079	14,158
Net realized and unrealized gain in fair value of investments in registered investment companies	1,234,833	-
Net realized and unrealized gain in fair value of investments in common collective trusts	298,336	-
Dividends	330,074	401,900
Interest income on notes receivable from participants	10,733	4,735
Other interest	1,161	-
	<u>3,324,351</u>	<u>1,489,416</u>
Total additions		
Deductions from net assets:		
Net realized and unrealized loss in fair value of investments in registered investment companies	-	2,074,239
Net realized and unrealized loss in fair value of investments in common collective trusts	-	294,091
Benefits paid to participants	547,328	615,076
Other expenses	1,224	-
Administrative expenses	13,605	1,080
	<u>562,157</u>	<u>2,984,486</u>
Total deductions		
Net increase (decrease) in net assets available for benefits	2,762,194	(1,495,070)
Net assets available for benefits:		
Beginning of year	<u>9,797,014</u>	<u>11,292,084</u>
End of year	<u><u>\$ 12,559,208</u></u>	<u><u>\$ 9,797,014</u></u>

See accompanying notes to financial statements.

SGI, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
Years Ended December 31, 2023 and 2022

Note 1. DESCRIPTION OF THE PLAN

SGI, Inc. 401(k) Profit Sharing Plan (the "Plan") is sponsored by SGI, Inc. and its subsidiaries (the "Company"). The following description of the Plan provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all employees of the Company and is subject to provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Company is the Plan's sponsor and serves as plan administrator.

Eligibility

Employees of the Company are eligible to participate in the Plan upon reaching age 18 and after completing three months of service in each 12-month eligibility period, as defined by the Plan.

Contributions

Participant contributions – Each year, participants may contribute up to 90% of eligible compensation, as defined in the Plan. Participants who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined-benefit or defined-contribution plans. 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 3% of eligible compensation and their contributions invested in a designated fund until elected otherwise by the participant.

Employer discretionary contributions – The Company may elect to make discretionary contributions to the Plan. For the years ended December 31, 2023 and 2022, there were no employer discretionary contributions.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 1. DESCRIPTION OF THE PLAN (continued)

Contributions (continued)

Employer matching contributions – During the years ended December 31, 2023 and 2022, the Company matched 30% of employees' contributions up to 60% of their compensation.

Contributions are subject to regulatory limitations.

Participant Accounts

Each participant account is credited with the participant's contribution and allocations of the Company's contributions and plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions, employer discretionary contributions, employer matching contributions, and the earnings or losses thereon.

Investments

Participants may direct their account balance to the investment options offered by the Plan. The number of such funds and the type of investments therein may be changed at any time by the Plan. Participants may change their investment options at any time.

Notes Receivable from Participants

Participants may borrow from their accounts a minimum of \$500, up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. The loans are issued by the Plan and secured by the balance of the participant's account. All loans must be repaid within a period of 5 years, unless the loan is used to purchase a principal residence, in which case, the loan may be issued for a period exceeding 5 years. Under the terms of the Plan Agreement, plan loans will bear fixed, reasonable rates of interest, as determined by the plan administrator. Principal and interest are paid ratably through semi-monthly payroll deductions. A participant may not have more than one loan outstanding at any one time. As of December 31, 2023 and 2022, the interest rates on outstanding loans were 4.25% to 9.50% and 4.25% to 8.00%, respectively.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 1. DESCRIPTION OF THE PLAN (continued)

Payment of Benefits

On termination of service due to death, disability, retirement, or other reasons, a participant or the participant's beneficiary may elect to receive a lump-sum amount equal to the value of the participant's account balance. With the plan administrator's approval, participants may withdraw all or part of their aggregate contributions in the event of financial hardship.

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 value of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Administrative Expenses

General plan administrative expenses are paid by the Company. Investment management, distribution, and loan transaction fees are paid by the plan participants.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan subject to the provisions of ERISA.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Use of Estimates

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

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Valuation

Investments are stated at fair value based on the net asset value of the shares held by the Plan at year end.

Purchases and sales of investments are recorded on a settlement date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net gain or loss includes the Plan's gains and losses on investments bought and sold during the year as well as held at year end.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan.

Payment of Benefits

Benefits are recorded when paid.

Note 3. FAIR VALUE MEASUREMENTS

Plan investments are generally reported at fair value in the statements of net assets available for benefits. Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1 Fair Value Measurements

Fair values are based on publicly quoted prices in active markets for identical assets. The fair value of investments in registered investment companies is based on the publicly quoted net asset value of the shares held by the Plan.

Level 2 Fair Value Measurements

Fair values are based on observable inputs other than publicly quoted prices in active markets for identical assets.

Level 3 Fair Value Measurements

Fair values are based on unobservable inputs used for valuing the asset.

SGI, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 3. FAIR VALUE MEASUREMENTS (continued)

Fair Value Measurements as of December 31, 2023:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments in registered investment companies	\$ 12,213,526	\$ 12,213,526	\$ -	\$ -
Total investments, at fair value	12,213,526	12,213,526	-	-
Investments measured at net asset value*	60,303	-	-	-
Total investments	<u>\$ 12,273,829</u>	<u>\$ 12,213,526</u>	<u>\$ -</u>	<u>\$ -</u>

Fair Value Measurements as of December 31, 2022:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments in registered investment companies	\$ 7,836,034	\$ 7,836,034	\$ -	\$ -
Total investments, at fair value	7,836,034	7,836,034	-	-
Investments measured at net asset value*	1,832,653	-	-	-
Total investments	<u>\$ 9,668,687</u>	<u>\$ 7,836,034</u>	<u>\$ -</u>	<u>\$ -</u>

* Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient are not required to be valued in the fair value hierarchy. The amounts presented in this table are intended to permit reconciliation to the amounts presented in the corresponding statement of net assets available for benefits. Shares of such investments can be redeemed daily on demand.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 4. INFORMATION PREPARED AND CERTIFIED BY QUALIFIED INSTITUTIONS

The following information included in the accompanying financial statements and supplemental schedule of Assets (Held at End of Year) was obtained from data that has been prepared and certified to as complete and accurate by Reliance Trust Company as of December 31, 2022 and for the period from January 1, 2023 to July 2, 2023 and Fidelity Management Trust Company for the period July 3, 2023 through December 31, 2023.

	2023	2022
Investments in registered investment companies	\$12,213,526	\$7,836,034
Investments in common collective trusts	60,303	1,832,653
Notes receivable from participants	231,637	128,327
Net realized and unrealized gain (loss) in fair value of investments in registered investment companies	1,234,833	(2,074,239)
Net realized and unrealized gain (loss) in fair value of investments in common collective trusts	298,336	(294,091)
Dividends	330,074	401,900
Interest income on notes receivable from participants	10,733	4,735
Other interest	1,161	-

Note 5. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	2023	2022
Net assets available for benefits per the financial statements	\$ 12,559,208	\$ 9,797,014
Participant contributions receivable at the end of the year	(41,340)	-
Company contributions receivable at the end of the year	(12,402)	-
Net assets available for benefits per the Form 5500	<u>\$ 12,505,466</u>	<u>\$ 9,797,014</u>

SGI, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 5. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (continued)

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

	<u>2023</u>	<u>2022</u>
Net increase (decrease) per the financial statements	\$ 2,762,194	\$ (1,495,070)
Participant contributions receivable at the end of the year	(41,340)	-
Company contributions receivable at the end of the year	<u>(12,402)</u>	<u>-</u>
Net increase (decrease) per the Form 5500	<u><u>\$ 2,708,452</u></u>	<u><u>\$ (1,495,070)</u></u>

Note 6. PARTY-IN-INTEREST TRANSACTIONS

Certain expenses of the Plan are paid by the Company. The Company is the sponsor of the Plan and, therefore, these transactions qualify as party-in-interest. The most significant of these costs paid by the Company are the salaries for the employees responsible for plan administration and fees paid to a third-party administrator.

Plan investments include several registered investment companies of the custodian of the Plan and, therefore, transactions with this entity qualify as exempt party-in-interest transactions.

Note 7. FEDERAL INCOME TAX STATUS

The IRS has determined and informed the Plan sponsor by a letter dated June 30, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 7. FEDERAL INCOME TAX STATUS (continued)

U.S. 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 tax position that more likely than not would not be sustained upon examination by the applicable taxing authorities. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 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 tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2020.

Note 8. SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through November 25, 2024, which is the date the 2023 financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

Schedule of Assets (Held at End of Year)
Attachment to Schedule H (Form 5500) - Line 4i (Part IV)

Company Name: SGI, Inc.
Plan Name: SGI, Inc. 401(k) Profit Sharing Plan
Plan Year: 1/1/23 - 12/31/23
EIN: 22-2365834
Plan No: 001

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
	Hartford	HTFD TOT RET BOND R6	-	71,294
	AllianceBernstein	AB LG CAP GRTH Z	-	717,100
	Janus Henderson	J H GLB TECH INNV N	-	108,938
	Dimensional Fund Advisors	DFA US TARGET VAL I	-	922,395
	VanEck	VE INTL INV GOLD I	-	202,908
	Vanguard	VANG WINDSOR ADM	-	568,408
	Franklin Templeton Investments	FKLN SM CAP GRTH R6	-	420,163
	Janus Henderson	J H ENTERPRISE N	-	747,618
	MFS	MFS INTL GROWTH R6	-	166,620
	Amercian Funds	AF NEW WORLD R6	-	406,083
	Victory capital	VICTORY S EST VAL R6	-	336,200
	Federated Investors Company	FH CAP PRESRVN ISP	-	60,303
*	Fidelity	FID CAPITAL & INCOME	-	119,233
*	Fidelity	FID US BOND IDX	-	725,328
*	Fidelity	FID 500 INDEX	-	1,209,840
*	Fidelity	FID MID CAP IDX	-	1,058,728
*	Fidelity	FID SM CAP IDX	-	197,661
*	Fidelity	FID INTL INDEX	-	547,076
*	Fidelity	FID FDM IDX INC IPR	-	457,804
*	Fidelity	FID FDM IDX 2010 IPR	-	115,661
*	Fidelity	FID FDM IDX 2015 IPR	-	4,943
*	Fidelity	FID FDM IDX 2020 IPR	-	288,702
*	Fidelity	FID FDM IDX 2025 IPR	-	132,763
*	Fidelity	FID FDM IDX 2030 IPR	-	473,003
*	Fidelity	FID FDM IDX 2035 IPR	-	96,220
*	Fidelity	FID FDM IDX 2040 IPR	-	339,054
*	Fidelity	FID FDM IDX 2045 IPR	-	135,483
*	Fidelity	FID FDM IDX 2050 IPR	-	888,625
*	Fidelity	FID FDM IDX 2055 IPR	-	515,293
*	Fidelity	FID FDM IDX 2060 IPR	-	106,780
*	Fidelity	FID GOVT MMKT K6	-	133,165
*	Fidelity	FID FDM IDX 2065 IPR	-	438
*	Participant Loans	Interest Rates (4.25% to 9.50%)	-	\$ 231,637

* Represents a party-in-interest to the Plan for which a statutory exemption exists.

SGI, Inc. 401(k) Profit Sharing Plan
Employer Identification Number 22-2365834
Plan Number 001
Schedule H, line 4a - Schedule of Delinquent Participant Contributions
Year Ended December 31, 2023

Participant Contributions and Loan Payments Transferred Late to Plan in 2023	<u>\$ 453,997</u>
Total That Constitutes Nonexempt Prohibited Transactions	<u>\$ 453,997</u>

SGL, Inc. 401(k) Profit Sharing Plan
Financial Statements and Supplemental Schedules
Years Ended December 31, 2023 and 2022

LEVITZACKS CPAs, LLP
451 A STREET, SUITE 500
SAN DIEGO, CA 92101



INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of the
SGI, Inc. 401(k) Profit Sharing Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2023 Financial Statements

We have performed an audit of the financial statements of SGI, Inc. 401(k) Profit Sharing 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 December 31, 2023, and 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 SGI, Inc. 401(k) Profit Sharing 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 certifications from qualified institutions as of and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2023 Financial Statements

In our opinion, based on the audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2023 Financial Statements section—

- the amounts and disclosures in the 2023 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.



INDEPENDENT AUDITOR'S REPORT (continued)

Opinion on the 2023 Financial Statements (continued)

- the information in the 2023 financial statements referred to above related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

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 Auditor's Responsibilities for the Audit of the 2023 Financial Statements section of our report. We are required to be independent of SGI, Inc. 401(k) Profit Sharing 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 did 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 SGI, Inc. 401(k) Profit Sharing Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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



INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the 2023 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2023 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the 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 SGI, Inc. 401(k) Profit Sharing 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 SGI, Inc. 401(k) Profit Sharing Plan's ability to continue as a going concern for a reasonable period of time.



INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the 2023 Financial Statements (continued)

Our audit did not extend to the certified investment information, except for obtaining and reading the certifications, comparing the certified investment information with the related information presented and disclosed in the 2023 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 Matters

2023 Supplemental Schedules Required by ERISA

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



INDEPENDENT AUDITOR'S REPORT
(continued)

Other Matters (continued)

2023 Supplemental Schedules Required by ERISA (continued)

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

In our opinion—

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

Auditor's Report on the 2022 Financial Statements

The financial statements of SGI, Inc. 401(k) Profit Sharing Plan as of December 31, 2022, were audited by predecessor auditors. 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 October 4, 2023 indicated that in their opinion (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 schedule, other than the information in the 2022 supplemental schedule that agrees to or is derived from the certified investment information, was presented, in all



INDEPENDENT AUDITOR'S REPORT
(continued)

Auditor's Report on the 2022 Financial Statements (continued)

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 schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

A handwritten signature in black ink that reads "Levitzacks". The signature is written in a cursive, flowing style.

LEVITZACKS CPAs, LLP
San Diego, California
November 25, 2024

SGI, Inc. 401(k) Profit Sharing Plan
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets:		
Investments, at fair value		
Registered investment companies	\$ 12,213,526	\$ 7,836,034
Common collective trusts	<u>60,303</u>	<u>1,832,653</u>
Total investments	12,273,829	9,668,687
Company contributions receivable	41,340	-
Participant contributions receivable	12,402	-
Notes receivable from participants	<u>231,637</u>	<u>128,327</u>
Total assets	<u>12,559,208</u>	<u>9,797,014</u>
Net assets available for benefits	<u><u>\$ 12,559,208</u></u>	<u><u>\$ 9,797,014</u></u>

See accompanying notes to financial statements.

S&G, Inc. 401(k) Profit Sharing Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Additions to net assets:		
Participant contributions	\$ 1,071,897	\$ 822,710
Company contributions	326,238	245,913
Rollover contributions	51,079	14,158
Net realized and unrealized gain in fair value of investments in registered investment companies	1,234,833	-
Net realized and unrealized gain in fair value of investments in common collective trusts	298,336	-
Dividends	330,074	401,900
Interest income on notes receivable from participants	10,733	4,735
Other interest	1,161	-
	<u>3,324,351</u>	<u>1,489,416</u>
Total additions		
Deductions from net assets:		
Net realized and unrealized loss in fair value of investments in registered investment companies	-	2,074,239
Net realized and unrealized loss in fair value of investments in common collective trusts	-	294,091
Benefits paid to participants	547,328	615,076
Other expenses	1,224	-
Administrative expenses	13,605	1,080
	<u>562,157</u>	<u>2,984,486</u>
Total deductions		
Net increase (decrease) in net assets available for benefits	2,762,194	(1,495,070)
Net assets available for benefits:		
Beginning of year	<u>9,797,014</u>	<u>11,292,084</u>
End of year	<u>\$ 12,559,208</u>	<u>\$ 9,797,014</u>

See accompanying notes to financial statements.

SGI, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
Years Ended December 31, 2023 and 2022

Note 1. DESCRIPTION OF THE PLAN

SGI, Inc. 401(k) Profit Sharing Plan (the "Plan") is sponsored by SGI, Inc. and its subsidiaries (the "Company"). The following description of the Plan provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all employees of the Company and is subject to provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Company is the Plan's sponsor and serves as plan administrator.

Eligibility

Employees of the Company are eligible to participate in the Plan upon reaching age 18 and after completing three months of service in each 12-month eligibility period, as defined by the Plan.

Contributions

Participant contributions – Each year, participants may contribute up to 90% of eligible compensation, as defined in the Plan. Participants who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined-benefit or defined-contribution plans. 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 3% of eligible compensation and their contributions invested in a designated fund until elected otherwise by the participant.

Employer discretionary contributions – The Company may elect to make discretionary contributions to the Plan. For the years ended December 31, 2023 and 2022, there were no employer discretionary contributions.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 1. DESCRIPTION OF THE PLAN (continued)

Contributions (continued)

Employer matching contributions – During the years ended December 31, 2023 and 2022, the Company matched 30% of employees' contributions up to 60% of their compensation.

Contributions are subject to regulatory limitations.

Participant Accounts

Each participant account is credited with the participant's contribution and allocations of the Company's contributions and plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions, employer discretionary contributions, employer matching contributions, and the earnings or losses thereon.

Investments

Participants may direct their account balance to the investment options offered by the Plan. The number of such funds and the type of investments therein may be changed at any time by the Plan. Participants may change their investment options at any time.

Notes Receivable from Participants

Participants may borrow from their accounts a minimum of \$500, up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. The loans are issued by the Plan and secured by the balance of the participant's account. All loans must be repaid within a period of 5 years, unless the loan is used to purchase a principal residence, in which case, the loan may be issued for a period exceeding 5 years. Under the terms of the Plan Agreement, plan loans will bear fixed, reasonable rates of interest, as determined by the plan administrator. Principal and interest are paid ratably through semi-monthly payroll deductions. A participant may not have more than one loan outstanding at any one time. As of December 31, 2023 and 2022, the interest rates on outstanding loans were 4.25% to 9.50% and 4.25% to 8.00%, respectively.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 1. DESCRIPTION OF THE PLAN (continued)

Payment of Benefits

On termination of service due to death, disability, retirement, or other reasons, a participant or the participant's beneficiary may elect to receive a lump-sum amount equal to the value of the participant's account balance. With the plan administrator's approval, participants may withdraw all or part of their aggregate contributions in the event of financial hardship.

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 value of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Administrative Expenses

General plan administrative expenses are paid by the Company. Investment management, distribution, and loan transaction fees are paid by the plan participants.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan subject to the provisions of ERISA.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Use of Estimates

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

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Valuation

Investments are stated at fair value based on the net asset value of the shares held by the Plan at year end.

Purchases and sales of investments are recorded on a settlement date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net gain or loss includes the Plan's gains and losses on investments bought and sold during the year as well as held at year end.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan.

Payment of Benefits

Benefits are recorded when paid.

Note 3. FAIR VALUE MEASUREMENTS

Plan investments are generally reported at fair value in the statements of net assets available for benefits. Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1 Fair Value Measurements

Fair values are based on publicly quoted prices in active markets for identical assets. The fair value of investments in registered investment companies is based on the publicly quoted net asset value of the shares held by the Plan.

Level 2 Fair Value Measurements

Fair values are based on observable inputs other than publicly quoted prices in active markets for identical assets.

Level 3 Fair Value Measurements

Fair values are based on unobservable inputs used for valuing the asset.

SGI, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 3. FAIR VALUE MEASUREMENTS (continued)

Fair Value Measurements as of December 31, 2023:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments in registered investment companies	\$ 12,213,526	\$ 12,213,526	\$ -	\$ -
Total investments, at fair value	12,213,526	12,213,526	-	-
Investments measured at net asset value*	60,303	-	-	-
Total investments	<u>\$ 12,273,829</u>	<u>\$ 12,213,526</u>	<u>\$ -</u>	<u>\$ -</u>

Fair Value Measurements as of December 31, 2022:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments in registered investment companies	\$ 7,836,034	\$ 7,836,034	\$ -	\$ -
Total investments, at fair value	7,836,034	7,836,034	-	-
Investments measured at net asset value*	1,832,653	-	-	-
Total investments	<u>\$ 9,668,687</u>	<u>\$ 7,836,034</u>	<u>\$ -</u>	<u>\$ -</u>

* Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient are not required to be valued in the fair value hierarchy. The amounts presented in this table are intended to permit reconciliation to the amounts presented in the corresponding statement of net assets available for benefits. Shares of such investments can be redeemed daily on demand.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 4. INFORMATION PREPARED AND CERTIFIED BY QUALIFIED INSTITUTIONS

The following information included in the accompanying financial statements and supplemental schedule of Assets (Held at End of Year) was obtained from data that has been prepared and certified to as complete and accurate by Reliance Trust Company as of December 31, 2022 and for the period from January 1, 2023 to July 2, 2023 and Fidelity Management Trust Company for the period July 3, 2023 through December 31, 2023.

	2023	2022
Investments in registered investment companies	\$12,213,526	\$7,836,034
Investments in common collective trusts	60,303	1,832,653
Notes receivable from participants	231,637	128,327
Net realized and unrealized gain (loss) in fair value of investments in registered investment companies	1,234,833	(2,074,239)
Net realized and unrealized gain (loss) in fair value of investments in common collective trusts	298,336	(294,091)
Dividends	330,074	401,900
Interest income on notes receivable from participants	10,733	4,735
Other interest	1,161	-

Note 5. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	2023	2022
Net assets available for benefits per the financial statements	\$ 12,559,208	\$ 9,797,014
Participant contributions receivable at the end of the year	(41,340)	-
Company contributions receivable at the end of the year	(12,402)	-
Net assets available for benefits per the Form 5500	<u>\$ 12,505,466</u>	<u>\$ 9,797,014</u>

SGI, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 5. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (continued)

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

	<u>2023</u>	<u>2022</u>
Net increase (decrease) per the financial statements	\$ 2,762,194	\$ (1,495,070)
Participant contributions receivable at the end of the year	(41,340)	-
Company contributions receivable at the end of the year	<u>(12,402)</u>	<u>-</u>
Net increase (decrease) per the Form 5500	<u><u>\$ 2,708,452</u></u>	<u><u>\$ (1,495,070)</u></u>

Note 6. PARTY-IN-INTEREST TRANSACTIONS

Certain expenses of the Plan are paid by the Company. The Company is the sponsor of the Plan and, therefore, these transactions qualify as party-in-interest. The most significant of these costs paid by the Company are the salaries for the employees responsible for plan administration and fees paid to a third-party administrator.

Plan investments include several registered investment companies of the custodian of the Plan and, therefore, transactions with this entity qualify as exempt party-in-interest transactions.

Note 7. FEDERAL INCOME TAX STATUS

The IRS has determined and informed the Plan sponsor by a letter dated June 30, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 7. FEDERAL INCOME TAX STATUS (continued)

U.S. 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 tax position that more likely than not would not be sustained upon examination by the applicable taxing authorities. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 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 tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2020.

Note 8. SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through November 25, 2024, which is the date the 2023 financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

Schedule of Assets (Held at End of Year)
Attachment to Schedule H (Form 5500) - Line 4i (Part IV)

Company Name: SGI, Inc.
Plan Name: SGI, Inc. 401(k) Profit Sharing Plan
Plan Year: 1/1/23 - 12/31/23
EIN: 22-2365834
Plan No: 001

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
	Hartford	HTFD TOT RET BOND R6	-	71,294
	AllianceBernstein	AB LG CAP GRTH Z	-	717,100
	Janus Henderson	J H GLB TECH INNV N	-	108,938
	Dimensional Fund Advisors	DFA US TARGET VAL I	-	922,395
	VanEck	VE INTL INV GOLD I	-	202,908
	Vanguard	VANG WINDSOR ADM	-	568,408
	Franklin Templeton Investments	FKLN SM CAP GRTH R6	-	420,163
	Janus Henderson	J H ENTERPRISE N	-	747,618
	MFS	MFS INTL GROWTH R6	-	166,620
	Amercian Funds	AF NEW WORLD R6	-	406,083
	Victory capital	VICTORY S EST VAL R6	-	336,200
	Federated Investors Company	FH CAP PRESRVN ISP	-	60,303
*	Fidelity	FID CAPITAL & INCOME	-	119,233
*	Fidelity	FID US BOND IDX	-	725,328
*	Fidelity	FID 500 INDEX	-	1,209,840
*	Fidelity	FID MID CAP IDX	-	1,058,728
*	Fidelity	FID SM CAP IDX	-	197,661
*	Fidelity	FID INTL INDEX	-	547,076
*	Fidelity	FID FDM IDX INC IPR	-	457,804
*	Fidelity	FID FDM IDX 2010 IPR	-	115,661
*	Fidelity	FID FDM IDX 2015 IPR	-	4,943
*	Fidelity	FID FDM IDX 2020 IPR	-	288,702
*	Fidelity	FID FDM IDX 2025 IPR	-	132,763
*	Fidelity	FID FDM IDX 2030 IPR	-	473,003
*	Fidelity	FID FDM IDX 2035 IPR	-	96,220
*	Fidelity	FID FDM IDX 2040 IPR	-	339,054
*	Fidelity	FID FDM IDX 2045 IPR	-	135,483
*	Fidelity	FID FDM IDX 2050 IPR	-	888,625
*	Fidelity	FID FDM IDX 2055 IPR	-	515,293
*	Fidelity	FID FDM IDX 2060 IPR	-	106,780
*	Fidelity	FID GOVT MMKT K6	-	133,165
*	Fidelity	FID FDM IDX 2065 IPR	-	438
*	Participant Loans	Interest Rates (4.25% to 9.50%)	-	\$ 231,637

* Represents a party-in-interest to the Plan for which a statutory exemption exists.

SGI, Inc. 401(k) Profit Sharing Plan
Employer Identification Number 22-2365834
Plan Number 001
Schedule H, line 4a - Schedule of Delinquent Participant Contributions
Year Ended December 31, 2023

Participant Contributions and Loan Payments Transferred Late to Plan in 2023	<u>\$ 453,997</u>
Total That Constitutes Nonexempt Prohibited Transactions	<u>\$ 453,997</u>

SGL, Inc. 401(k) Profit Sharing Plan
Financial Statements and Supplemental Schedules
Years Ended December 31, 2023 and 2022

LEVITZACKS CPAs, LLP
451 A STREET, SUITE 500
SAN DIEGO, CA 92101



INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of the
SGI, Inc. 401(k) Profit Sharing Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2023 Financial Statements

We have performed an audit of the financial statements of SGI, Inc. 401(k) Profit Sharing 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 December 31, 2023, and 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 SGI, Inc. 401(k) Profit Sharing 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 certifications from qualified institutions as of and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2023 Financial Statements

In our opinion, based on the audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2023 Financial Statements section—

- the amounts and disclosures in the 2023 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.



INDEPENDENT AUDITOR'S REPORT (continued)

Opinion on the 2023 Financial Statements (continued)

- the information in the 2023 financial statements referred to above related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

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 Auditor's Responsibilities for the Audit of the 2023 Financial Statements section of our report. We are required to be independent of SGI, Inc. 401(k) Profit Sharing 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 did 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 SGI, Inc. 401(k) Profit Sharing Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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



INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the 2023 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2023 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the 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 SGI, Inc. 401(k) Profit Sharing 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 SGI, Inc. 401(k) Profit Sharing Plan's ability to continue as a going concern for a reasonable period of time.



INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the 2023 Financial Statements (continued)

Our audit did not extend to the certified investment information, except for obtaining and reading the certifications, comparing the certified investment information with the related information presented and disclosed in the 2023 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 Matters

2023 Supplemental Schedules Required by ERISA

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



INDEPENDENT AUDITOR'S REPORT
(continued)

Other Matters (continued)

2023 Supplemental Schedules Required by ERISA (continued)

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

In our opinion—

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

Auditor's Report on the 2022 Financial Statements

The financial statements of SGI, Inc. 401(k) Profit Sharing Plan as of December 31, 2022, were audited by predecessor auditors. 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 October 4, 2023 indicated that in their opinion (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 schedule, other than the information in the 2022 supplemental schedule that agrees to or is derived from the certified investment information, was presented, in all



INDEPENDENT AUDITOR'S REPORT
(continued)

Auditor's Report on the 2022 Financial Statements (continued)

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 schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

A handwritten signature in black ink that reads "Levitzacks". The signature is written in a cursive, fluid style.

LEVITZACKS CPAs, LLP
San Diego, California
November 25, 2024

SGI, Inc. 401(k) Profit Sharing Plan
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets:		
Investments, at fair value		
Registered investment companies	\$ 12,213,526	\$ 7,836,034
Common collective trusts	<u>60,303</u>	<u>1,832,653</u>
Total investments	12,273,829	9,668,687
Company contributions receivable	41,340	-
Participant contributions receivable	12,402	-
Notes receivable from participants	<u>231,637</u>	<u>128,327</u>
Total assets	<u>12,559,208</u>	<u>9,797,014</u>
Net assets available for benefits	<u><u>\$ 12,559,208</u></u>	<u><u>\$ 9,797,014</u></u>

See accompanying notes to financial statements.

SGI, Inc. 401(k) Profit Sharing Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Additions to net assets:		
Participant contributions	\$ 1,071,897	\$ 822,710
Company contributions	326,238	245,913
Rollover contributions	51,079	14,158
Net realized and unrealized gain in fair value of investments in registered investment companies	1,234,833	-
Net realized and unrealized gain in fair value of investments in common collective trusts	298,336	-
Dividends	330,074	401,900
Interest income on notes receivable from participants	10,733	4,735
Other interest	1,161	-
	<u>3,324,351</u>	<u>1,489,416</u>
Total additions		
Deductions from net assets:		
Net realized and unrealized loss in fair value of investments in registered investment companies	-	2,074,239
Net realized and unrealized loss in fair value of investments in common collective trusts	-	294,091
Benefits paid to participants	547,328	615,076
Other expenses	1,224	-
Administrative expenses	13,605	1,080
	<u>562,157</u>	<u>2,984,486</u>
Total deductions		
Net increase (decrease) in net assets available for benefits	2,762,194	(1,495,070)
Net assets available for benefits:		
Beginning of year	<u>9,797,014</u>	<u>11,292,084</u>
End of year	<u><u>\$ 12,559,208</u></u>	<u><u>\$ 9,797,014</u></u>

See accompanying notes to financial statements.

SGI, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
Years Ended December 31, 2023 and 2022

Note 1. DESCRIPTION OF THE PLAN

SGI, Inc. 401(k) Profit Sharing Plan (the "Plan") is sponsored by SGI, Inc. and its subsidiaries (the "Company"). The following description of the Plan provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all employees of the Company and is subject to provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Company is the Plan's sponsor and serves as plan administrator.

Eligibility

Employees of the Company are eligible to participate in the Plan upon reaching age 18 and after completing three months of service in each 12-month eligibility period, as defined by the Plan.

Contributions

Participant contributions – Each year, participants may contribute up to 90% of eligible compensation, as defined in the Plan. Participants who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined-benefit or defined-contribution plans. 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 3% of eligible compensation and their contributions invested in a designated fund until elected otherwise by the participant.

Employer discretionary contributions – The Company may elect to make discretionary contributions to the Plan. For the years ended December 31, 2023 and 2022, there were no employer discretionary contributions.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 1. DESCRIPTION OF THE PLAN (continued)

Contributions (continued)

Employer matching contributions – During the years ended December 31, 2023 and 2022, the Company matched 30% of employees' contributions up to 60% of their compensation.

Contributions are subject to regulatory limitations.

Participant Accounts

Each participant account is credited with the participant's contribution and allocations of the Company's contributions and plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions, employer discretionary contributions, employer matching contributions, and the earnings or losses thereon.

Investments

Participants may direct their account balance to the investment options offered by the Plan. The number of such funds and the type of investments therein may be changed at any time by the Plan. Participants may change their investment options at any time.

Notes Receivable from Participants

Participants may borrow from their accounts a minimum of \$500, up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. The loans are issued by the Plan and secured by the balance of the participant's account. All loans must be repaid within a period of 5 years, unless the loan is used to purchase a principal residence, in which case, the loan may be issued for a period exceeding 5 years. Under the terms of the Plan Agreement, plan loans will bear fixed, reasonable rates of interest, as determined by the plan administrator. Principal and interest are paid ratably through semi-monthly payroll deductions. A participant may not have more than one loan outstanding at any one time. As of December 31, 2023 and 2022, the interest rates on outstanding loans were 4.25% to 9.50% and 4.25% to 8.00%, respectively.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 1. DESCRIPTION OF THE PLAN (continued)

Payment of Benefits

On termination of service due to death, disability, retirement, or other reasons, a participant or the participant's beneficiary may elect to receive a lump-sum amount equal to the value of the participant's account balance. With the plan administrator's approval, participants may withdraw all or part of their aggregate contributions in the event of financial hardship.

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 value of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Administrative Expenses

General plan administrative expenses are paid by the Company. Investment management, distribution, and loan transaction fees are paid by the plan participants.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan subject to the provisions of ERISA.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Use of Estimates

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

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Valuation

Investments are stated at fair value based on the net asset value of the shares held by the Plan at year end.

Purchases and sales of investments are recorded on a settlement date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net gain or loss includes the Plan's gains and losses on investments bought and sold during the year as well as held at year end.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan.

Payment of Benefits

Benefits are recorded when paid.

Note 3. FAIR VALUE MEASUREMENTS

Plan investments are generally reported at fair value in the statements of net assets available for benefits. Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1 Fair Value Measurements

Fair values are based on publicly quoted prices in active markets for identical assets. The fair value of investments in registered investment companies is based on the publicly quoted net asset value of the shares held by the Plan.

Level 2 Fair Value Measurements

Fair values are based on observable inputs other than publicly quoted prices in active markets for identical assets.

Level 3 Fair Value Measurements

Fair values are based on unobservable inputs used for valuing the asset.

SGI, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 3. FAIR VALUE MEASUREMENTS (continued)

Fair Value Measurements as of December 31, 2023:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments in registered investment companies	\$ 12,213,526	\$ 12,213,526	\$ -	\$ -
Total investments, at fair value	12,213,526	12,213,526	-	-
Investments measured at net asset value*	60,303	-	-	-
Total investments	<u>\$ 12,273,829</u>	<u>\$ 12,213,526</u>	<u>\$ -</u>	<u>\$ -</u>

Fair Value Measurements as of December 31, 2022:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments in registered investment companies	\$ 7,836,034	\$ 7,836,034	\$ -	\$ -
Total investments, at fair value	7,836,034	7,836,034	-	-
Investments measured at net asset value*	1,832,653	-	-	-
Total investments	<u>\$ 9,668,687</u>	<u>\$ 7,836,034</u>	<u>\$ -</u>	<u>\$ -</u>

* Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient are not required to be valued in the fair value hierarchy. The amounts presented in this table are intended to permit reconciliation to the amounts presented in the corresponding statement of net assets available for benefits. Shares of such investments can be redeemed daily on demand.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 4. INFORMATION PREPARED AND CERTIFIED BY QUALIFIED INSTITUTIONS

The following information included in the accompanying financial statements and supplemental schedule of Assets (Held at End of Year) was obtained from data that has been prepared and certified to as complete and accurate by Reliance Trust Company as of December 31, 2022 and for the period from January 1, 2023 to July 2, 2023 and Fidelity Management Trust Company for the period July 3, 2023 through December 31, 2023.

	2023	2022
Investments in registered investment companies	\$12,213,526	\$7,836,034
Investments in common collective trusts	60,303	1,832,653
Notes receivable from participants	231,637	128,327
Net realized and unrealized gain (loss) in fair value of investments in registered investment companies	1,234,833	(2,074,239)
Net realized and unrealized gain (loss) in fair value of investments in common collective trusts	298,336	(294,091)
Dividends	330,074	401,900
Interest income on notes receivable from participants	10,733	4,735
Other interest	1,161	-

Note 5. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	2023	2022
Net assets available for benefits per the financial statements	\$ 12,559,208	\$ 9,797,014
Participant contributions receivable at the end of the year	(41,340)	-
Company contributions receivable at the end of the year	(12,402)	-
Net assets available for benefits per the Form 5500	<u>\$ 12,505,466</u>	<u>\$ 9,797,014</u>

SGI, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 5. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (continued)

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

	<u>2023</u>	<u>2022</u>
Net increase (decrease) per the financial statements	\$ 2,762,194	\$ (1,495,070)
Participant contributions receivable at the end of the year	(41,340)	-
Company contributions receivable at the end of the year	<u>(12,402)</u>	<u>-</u>
Net increase (decrease) per the Form 5500	<u><u>\$ 2,708,452</u></u>	<u><u>\$ (1,495,070)</u></u>

Note 6. PARTY-IN-INTEREST TRANSACTIONS

Certain expenses of the Plan are paid by the Company. The Company is the sponsor of the Plan and, therefore, these transactions qualify as party-in-interest. The most significant of these costs paid by the Company are the salaries for the employees responsible for plan administration and fees paid to a third-party administrator.

Plan investments include several registered investment companies of the custodian of the Plan and, therefore, transactions with this entity qualify as exempt party-in-interest transactions.

Note 7. FEDERAL INCOME TAX STATUS

The IRS has determined and informed the Plan sponsor by a letter dated June 30, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

SGL, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
(continued)
Years Ended December 31, 2023 and 2022

Note 7. FEDERAL INCOME TAX STATUS (continued)

U.S. 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 tax position that more likely than not would not be sustained upon examination by the applicable taxing authorities. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 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 tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2020.

Note 8. SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through November 25, 2024, which is the date the 2023 financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

Schedule of Assets (Held at End of Year)
Attachment to Schedule H (Form 5500) - Line 4i (Part IV)

Company Name: SGI, Inc.
Plan Name: SGI, Inc. 401(k) Profit Sharing Plan
Plan Year: 1/1/23 - 12/31/23
EIN: 22-2365834
Plan No: 001

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
	Hartford	HTFD TOT RET BOND R6	-	71,294
	AllianceBernstein	AB LG CAP GRTH Z	-	717,100
	Janus Henderson	J H GLB TECH INNV N	-	108,938
	Dimensional Fund Advisors	DFA US TARGET VAL I	-	922,395
	VanEck	VE INTL INV GOLD I	-	202,908
	Vanguard	VANG WINDSOR ADM	-	568,408
	Franklin Templeton Investments	FKLN SM CAP GRTH R6	-	420,163
	Janus Henderson	J H ENTERPRISE N	-	747,618
	MFS	MFS INTL GROWTH R6	-	166,620
	Amercian Funds	AF NEW WORLD R6	-	406,083
	Victory capital	VICTORY S EST VAL R6	-	336,200
	Federated Investors Company	FH CAP PRESRVN ISP	-	60,303
*	Fidelity	FID CAPITAL & INCOME	-	119,233
*	Fidelity	FID US BOND IDX	-	725,328
*	Fidelity	FID 500 INDEX	-	1,209,840
*	Fidelity	FID MID CAP IDX	-	1,058,728
*	Fidelity	FID SM CAP IDX	-	197,661
*	Fidelity	FID INTL INDEX	-	547,076
*	Fidelity	FID FDM IDX INC IPR	-	457,804
*	Fidelity	FID FDM IDX 2010 IPR	-	115,661
*	Fidelity	FID FDM IDX 2015 IPR	-	4,943
*	Fidelity	FID FDM IDX 2020 IPR	-	288,702
*	Fidelity	FID FDM IDX 2025 IPR	-	132,763
*	Fidelity	FID FDM IDX 2030 IPR	-	473,003
*	Fidelity	FID FDM IDX 2035 IPR	-	96,220
*	Fidelity	FID FDM IDX 2040 IPR	-	339,054
*	Fidelity	FID FDM IDX 2045 IPR	-	135,483
*	Fidelity	FID FDM IDX 2050 IPR	-	888,625
*	Fidelity	FID FDM IDX 2055 IPR	-	515,293
*	Fidelity	FID FDM IDX 2060 IPR	-	106,780
*	Fidelity	FID GOVT MMKT K6	-	133,165
*	Fidelity	FID FDM IDX 2065 IPR	-	438
*	Participant Loans	Interest Rates (4.25% to 9.50%)	-	\$ 231,637

* Represents a party-in-interest to the Plan for which a statutory exemption exists.

SGI, Inc. 401(k) Profit Sharing Plan
Employer Identification Number 22-2365834
Plan Number 001
Schedule H, line 4a - Schedule of Delinquent Participant Contributions
Year Ended December 31, 2023

Participant Contributions and Loan Payments Transferred Late to Plan in 2023	<u>\$ 453,997</u>
Total That Constitutes Nonexempt Prohibited Transactions	<u>\$ 453,997</u>