

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) HURRICANE RELIEF NC-2024-08
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 HOFFMAN HOFFMAN INC EMPLOYEE STOCK OWNERSHIP PLAN	1b	Three-digit plan number (PN) ▶	001
		1c	Effective date of plan 03/01/1966	
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) HOFFMAN & HOFFMAN, INC. 3816 PATTERSON STREET GREENSBORO, NC 27407	2b	Employer Identification Number (EIN) 56-0667189	
		2c	Plan Sponsor's telephone number 336-292-8777	
		2d	Business code (see instructions) 541330	

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.	11/26/2024	KIM VALLEJOS
	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	859
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).			
6a(1) Total number of active participants at the beginning of the plan year		6a(1)	675
6a(2) Total number of active participants at the end of the plan year		6a(2)	769
b Retired or separated participants receiving benefits		6b	33
c Other retired or separated participants entitled to future benefits		6c	170
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	972
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	2
f Total. Add lines 6d and 6e		6f	974
g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)		6g(1)	807
g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g(2)	967
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	20
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2H 2J 2P 2Q 2S 2T 3H 3I			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions: 4B			
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary (4) ☐ DCG (Individual Plan Information) – Number Attached _____ (5) ☐ MEP (Multiple-Employer Retirement Plan Information)		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ A (Insurance Information) – Number Attached <u>1</u> (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2023 This Form is Open to Public Inspection
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan HOFFMAN HOFFMAN INC EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 HOFFMAN & HOFFMAN, INC.	D Employer Identification Number (EIN) 56-0667189	

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

(a) Name of insurance carrier
MASS MUTUAL LIFE INS COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
04-1590850	65935	007021556	2	01/01/2023	12/31/2023

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
3	0

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

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
MURRAY LYNNE HARMSTON
15 CAMBRIDGE OAK CIRCLE
GREENSBORO, NC 27410

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
3			3

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4	Current value of plan's interest under this contract in the general account at year end	4	
5	Current value of plan's interest under this contract in separate accounts at year end	5	
6	Contracts With Allocated Funds:		
a	State the basis of premium rates ▶ AS STATED IN INDIVIDUAL POLICIES		
b	Premiums paid to carrier	6b	429
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	
e	Type of contract: (1) ☒ individual policies (2) ☐ group deferred annuity (3) ☐ other (specify) ▶		
f	If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐		
7	Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)		
a	Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee (3) ☐ guaranteed investment (4) ☐ other ▶		
b	Balance at the end of the previous year	7b	
c	Additions: (1) Contributions deposited during the year	7c(1)	
	(2) Dividends and credits	7c(2)	
	(3) Interest credited during the year	7c(3)	
	(4) Transferred from separate account	7c(4)	
	(5) Other (specify below)	7c(5)	
	(6) Total additions	7c(6)	0
d	Total of balance and additions (add lines 7b and 7c(6))	7d	0
e	Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
	(2) Administration charge made by carrier	7e(2)	
	(3) Transferred to separate account	7e(3)	
	(4) Other (specify below)	7e(4)	
	(5) Total deductions	7e(5)	0
f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	0
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	0
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

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

Specify nature of costs.

Part IV Provision of Information

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

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

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

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

A Name of plan HOFFMAN HOFFMAN INC EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 HOFFMAN & HOFFMAN, INC.	D Employer Identification Number (EIN) 56-0667189

Part I

Service Provider Information (see instructions)

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

1

Information on Persons Receiving Only Eligible Indirect Compensation

- a

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

Yes

x

No
- b

If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b)

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

(b)

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

(b)

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

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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)

STANLEY BENEFIT SERVICES

20-4006400

(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?
15 16 37 38 49 50 60 64 65 70 99	NONE	77153	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

LPL HOLDINGS INC.

04-3046611

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 38 50	NONE	55000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MIDATLANTIC TRUST CO.

27-3169253

(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?
18 19 21 25 50 59 99	NONE	39393	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection.
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan HOFFMAN HOFFMAN INC EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 HOFFMAN & HOFFMAN, INC.	D Employer Identification Number (EIN) 56-0667189	

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: WTRISC CIT FOR ML GROUP CONTRACT			
b Name of sponsor of entity listed in (a): WILMINGTON TRUST RETIREMENT INST SERV CO			
c EIN-PN 26-0142858-094	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8831136	
a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK MSCI ACWI EX-U.S. INDEX F			
b Name of sponsor of entity listed in (a): WILMINGTON TRUST RETIREMENT INST SERV CO			
c EIN-PN 81-1950980-013	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1843351	
a Name of MTIA, CCT, PSA, or 103-12 IE: GREAT GRAY EUROPACIFIC GROWTH R1			
b Name of sponsor of entity listed in (a): GREAT GRAY TRUST COMPANY, LLC			
c EIN-PN 38-7289843-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4376623	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	

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

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

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

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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 HOFFMAN HOFFMAN INC EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 HOFFMAN & HOFFMAN, INC.	D Employer Identification Number (EIN) 56-0667189	

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	75939	405530
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	6941177	6409550
(2) Participant contributions	1b(2)	180622	0
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)	12097152	15051110
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	71306079	79151027
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	30852	32453
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	121830720	161968360
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	212462541	263018030
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	15868899	14434895
k Total liabilities (add all amounts in lines 1g through 1j)	1k	15868899	14434895
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	196593642	248583135

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)	10347269	
(B) Participants	2a(1)(B)	5700304	
(C) Others (including rollovers)	2a(1)(C)	889664	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B), (C), and line 2a(2)	2a(3)		16937237
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1758956	
(D) Total dividends. Add lines 2b(2)(A) , (B), and (C)	2b(2)(D)		1758956
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	39985867	
(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)		873586
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		11636977
c Other income	2c		-7784
d Total income. Add all income amounts in column (b) and enter total	2d		71184839

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	18789425	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		18789425
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		234375
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Recordkeeping fees.....	2i(3)	77153	
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees	2i(5)	55000	
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)	39393	
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		171546
j Total expenses. Add all expense amounts in column (b) and enter total	2j		19195346

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		51989493
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: **BERNARD ROBINSON & COMPANY LLP**

(2) EIN: **56-0571159**

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection.
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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 HOFFMAN HOFFMAN INC EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 HOFFMAN & HOFFMAN, INC.	D Employer Identification Number (EIN) 56-0667189

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 27-3169253 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)	6a
b Enter the amount contributed by the employer to the plan for this plan year	6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c
If you completed line 6c, skip lines 8 and 9.	
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes ☐ No ☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes ☐ No ☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.	☐ Increase ☐ Decrease ☐ Both ☐ No
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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?	☐ Yes ☒ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes ☒ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☒ Yes ☐ No

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

Schedule R (Form 5500) 2023
v. 230707

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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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 ____/____/____ (MM/DD/YYYY) and the Opinion Letter serial number _____.	
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November 5, 2024

To Management of
Hoffman & Hoffman, Inc. Employee Stock Ownership Plan
Greensboro, North Carolina

We have audited the financial statements of Hoffman & Hoffman, Inc. Employee Stock Ownership Plan (the “Plan”), as of and for the year ended December 31, 2023, and have issued our report thereon dated November 5, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 8, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by us with management’s and your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the plan’s internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Hoffman & Hoffman, Inc. Employee Stock Ownership Plan solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

1501 Highwoods Blvd., Ste. 300 (27410)
P.O. Box 19608
Greensboro, NC 27419

P: 336-294-4494 • F: 336-294-4495

brc.cpa

Qualitative Aspects of the Plan's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Hoffman & Hoffman, Inc. Employee Stock Ownership Plan is included in Note 2 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions, and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

There were no sensitive accounting estimates affecting the financial statements.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Hoffman & Hoffman, Inc. Employee Stock Ownership Plan's financial statements relate to the disclosure of fair value measurements in Note 5 to the financial statements that requires judgment by management related to the valuation level within the fair value hierarchy.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no significant unusual transactions identified during our audit.

Form 5500 Procedures

We are required to obtain and read a substantially complete draft of Form 5500 prior to dating our auditor's report. The purpose of this procedure is to identify any material inconsistencies between the draft Form 5500 and the Plan's financial statements. We identified no material inconsistencies in performing and completing our audit.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no such uncorrected misstatements for the year ended December 31, 2023.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were also no misstatements identified by us as a result of our audit procedures and corrected by management that were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Hoffman & Hoffman, Inc. Employee Stock Ownership Plan's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, dated November 5, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Hoffman & Hoffman, Inc. Employee Stock Ownership Plan, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, business conditions affecting the plan, and business plans and strategies that may affect the risks of material misstatement. Some specific items discussed with management include the following matters:

- The Plan's discretionary employer safe harbor contribution approved by management was \$6,402,355.

None of the matters discussed resulted in a condition to our retention as Hoffman & Hoffman, Inc. Employee Stock Ownership Plan's auditors.

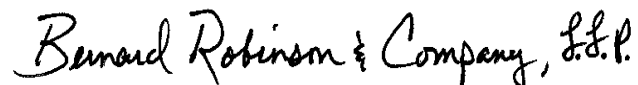
Other Matters

The ERISA-required supplemental schedule was subjected to the audit 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.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of management of Hoffman & Hoffman, Inc. Employee Stock Ownership Plan and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink that reads "Bernard Robinson & Company, L.L.P." in a cursive script.

BERNARD ROBINSON & COMPANY, L.L.P.

HOFFMAN & HOFFMAN, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022



HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
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Independent Auditor's Report

To Hoffman & Hoffman, Inc. Employee Stock Ownership Plan
Greensboro, North Carolina

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

We have performed audits of the financial statements of Hoffman & Hoffman, Inc. Employee Stock Ownership 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). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, and the related statement of changes in net assets available for benefits for the year ended December 31, 2023, and the related notes to the financial statements.

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

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

Opinion

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

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

Basis for Opinion

We conducted our audits 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 Financial Statements section of our report. We are required to be independent of Hoffman & Hoffman, Inc. Employee Stock Ownership Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

- 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 Hoffman & Hoffman, Inc. Employee Stock Ownership 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 Hoffman & Hoffman, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

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

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

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

Other Matter — Supplemental Schedule Required by ERISA

The supplemental schedule of assets (held at end of year) as of December 31, 2023 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

Other Matter — Supplemental Schedule Required by ERISA (Continued)

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

In our opinion:

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule related to assets held by and certified to by 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).

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina

November 5, 2024

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	2023			2022		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
Assets:						
Non-interest bearing cash	\$ 405,530	\$ -	\$ 405,530	\$ 75,939	\$ -	\$ 75,939
Investments, at fair value:						
Mutual funds	79,151,027	-	79,151,027	71,140,513	-	71,140,513
Stable value collective investment trust funds	10,674,487	-	10,674,487	12,262,718	-	12,262,718
Collective investment trust fund	4,376,623	-	4,376,623	-	-	-
Company common stock	129,830,256	32,138,104	161,968,360	93,964,372	27,866,348	121,830,720
Cash value of insurance policies	32,453	-	32,453	30,852	-	30,852
Total investments, at fair value	224,064,846	32,138,104	256,202,950	177,398,455	27,866,348	205,264,803
Contributions receivable:						
Employee contributions	-	-	-	180,622	-	180,622
Employer contributions	6,409,550	-	6,409,550	6,941,177	-	6,941,177
Total receivables	6,409,550	-	6,409,550	7,121,799	-	7,121,799
Total assets	230,879,926	32,138,104	263,018,030	184,596,193	27,866,348	212,462,541
Liabilities:						
Note payable	-	14,434,895	14,434,895	-	15,868,899	15,868,899
Total liabilities	-	14,434,895	14,434,895	-	15,868,899	15,868,899
Net assets available for benefits	<u>\$ 230,879,926</u>	<u>\$ 17,703,209</u>	<u>\$ 248,583,135</u>	<u>\$ 184,596,193</u>	<u>\$ 11,997,449</u>	<u>\$ 196,593,642</u>

See Notes to Financial Statements

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2023

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Additions:			
Investment income, net:			
Net appreciation in the fair value of investments	\$ 43,590,047	\$ 9,180,685	\$ 52,770,732
Interest and dividends	1,475,204	-	1,475,204
Allocation of 16,851.22 shares of Company stock, at fair value	4,908,929	-	4,908,929
	<u>49,974,180</u>	<u>9,180,685</u>	<u>59,154,865</u>
Contributions:			
Participant	5,697,488	-	5,697,488
Employer, net of forfeitures	8,678,890	1,668,379	10,347,269
Rollovers	907,598	-	907,598
	<u>15,283,976</u>	<u>1,668,379</u>	<u>16,952,355</u>
Total additions	<u>65,258,156</u>	<u>10,849,064</u>	<u>76,107,220</u>
Deductions:			
Benefits paid to participants	18,787,285	-	18,787,285
Administrative expenses	187,138	-	187,138
Interest expense	-	234,375	234,375
Allocation of 16,851.22 shares of Company stock, at fair value	-	4,908,929	4,908,929
Total deductions	<u>18,974,423</u>	<u>5,143,304</u>	<u>24,117,727</u>
Net increase	46,283,733	5,705,760	51,989,493
Net assets available for benefits:			
Beginning of year	<u>184,596,193</u>	<u>11,997,449</u>	<u>196,593,642</u>
End of year	<u>\$ 230,879,926</u>	<u>\$ 17,703,209</u>	<u>\$ 248,583,135</u>

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Notes to Financial Statements

NOTE 1 - DESCRIPTION OF PLAN AND BASIS OF PRESENTATION

The following description of Hoffman & Hoffman, Inc. Employee Stock Ownership Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

Hoffman & Hoffman, Inc. (the "Company") established the Plan effective as of January 1, 1987. The Plan is a leveraged defined contribution stock ownership plan covering all eligible employees. The Plan is allowed to obtain acquisition loans to finance the acquisition of Company stock. The Plan is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (IRC), and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by the Retirement Committee comprised of individuals appointed by the Company. An independent, third-party limited liability corporation is the Plan's trustee for the portion of the Plan that consists of Company stock.

On December 22, 2016, the Plan purchased 2,012 shares of the Company's common stock using the proceeds of a loan from the Company (see Note 7) and holds the common stock in a trust established under the Plan. The stock was purchased at a price of \$6,652.58 per share, for an aggregate purchase price of \$13,385,000. On March 3, 2020, the Company initiated a 100-1 stock split.

On December 18, 2020, the Plan purchased 94,507.31 shares of the Company's common stock from participants using the proceeds of a loan from the Company (see Note 7) and holds the common stock in a trust established under the Plan. The stock was purchased at a price of \$153.48 per share, for an aggregate purchase price of \$14,504,982.

All borrowings are collateralized by the unallocated shares of common stock. The lender has no rights against shares of common stock once they are allocated to participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan as of December 31, 2023 and 2022, and for the year ended December 31, 2023, present separately the assets and liabilities and changes therein pertaining to: (a) the accounts of employees with the rights in allocated common stock (allocated), and (b) common stock not yet allocated to employees (unallocated).

Eligibility

Employees are eligible to participate in the Plan after 60 days of employment for purposes of salary reduction contributions only and employees may enter the Plan on a quarterly basis. In addition, employees that meet eligibility terms will be automatically enrolled in the Plan with an automatic deferral election amount of 3% unless opted out of or otherwise elected by the employee. Eligible employees may make a written, irrevocable election not to participate prior to the first day of the Plan year in which they would otherwise first become eligible to participate.

Contributions

The Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan.

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Notes to Financial Statements

NOTE 1 - DESCRIPTION OF PLAN AND BASIS OF PRESENTATION (Continued)

Contributions (Continued)

Each year, participants may contribute from their annual pre-tax compensation up to the maximum amount established by tax laws, as defined by the Plan. Participant contributions may be made in the form of pre-tax elective deferrals and Roth elective deferrals. 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.

Participants direct the investment of their contributions into various investments and portfolio options offered by the Plan. The Plan currently offers various mutual funds, stable value common collective trusts, and a common collective trust as investment options for participants. At the Company's discretion and direction, participants may also be allocated shares of the Company common stock as a nonparticipant-directed investment option in the Plan.

The Company makes Safe Harbor employer elective contributions of amounts equal to at least 3% of the participants' eligible compensation. The Company may also make other contributions at the discretion of the Board of Directors of the Company. Discretionary employer contributions for the years ended December 31, 2023 and 2022, were \$6,402,355 and \$5,027,318, respectively. These contributions are allocated in accordance with the Plan based on the total eligible compensation of all participants for the Plan year.

Contributions are subject to certain limitations as determined by the Internal Revenue Code.

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each Plan year with an allocation of the Company's common stock released by the Trustee from the unallocated account and forfeitures of terminated participants' nonvested accounts. Only those employees who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. These allocations are based on a participant's eligible compensation, relative to total eligible compensation.

Each participant's account is also credited with the participant's contributions, including amounts rolled over from other qualified plans, the Company's Safe Harbor contribution, the Company's discretionary contribution (if any), Plan earnings, and investment gains and losses. Participant accounts are charged with an allocation of administrative expenses paid by the Plan. Allocation of expenses are based on the participant earnings, account balances, or specific participant transactions, as defined by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participants

The Plan does not offer provisions by which participants may take a loan from any portion of their Plan account.

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Notes to Financial Statements

NOTE 1 - DESCRIPTION OF PLAN AND BASIS OF PRESENTATION (Continued)

Vesting

Participants are vested immediately in their voluntary contributions, including amounts rolled over from other qualified plans, and the Company's Safe Harbor contributions, plus actual earnings thereon. Participants are also fully vested in dividends paid on Company common stock without regard to the participant's vesting status in the Plan. Vesting in the Company's discretionary contributions and any actual earnings thereon is determined using a progressive schedule based on years of service. For vesting purposes, a year of service is based on the Plan year, as defined by the Plan. Vesting begins with two years of service and a participant is 100% vested after six years of credited service, or in the event of death, disability or retirement, as defined by the Plan.

Payment of Benefits

Distributions from a participant's account may not be made earlier than a participant's severance from employment, death, disability, attainment of age 60, termination of the Plan or upon financial hardship of the participant. Typically, upon severance of employment, distributions may begin no earlier than one year after the end of the Plan year in which the aforementioned requirements are met.

A terminated employee may elect to receive distributions from the participant's rollover account prior to a one-year break in service. The Plan administrator may cash out terminated employees with a vested balance in the Plan of \$5,000 or less without the participant's consent. If the employee's vested balance is below \$5,000 but exceeds \$1,000, the cash out will be in the form of a direct rollover into an individual retirement plan.

Under the provisions of the Plan, the Company is obligated to repurchase participant shares of Company stock, which have been distributed under the terms of the Plan, if the shares are not publicly traded or if the shares are subject to trading limitations. The amount to be distributed is based upon the immediately preceding valuation date.

Effective January 1, 2023, when a participant's employment with the Company terminates, the Company Stock in the terminated participant's account will be subsequently exchanged for other investments. The Company Stock from the terminated participant's account will be reallocated to the accounts of active employees who are participants in the Plan.

Effective January 1, 2023, former employees who retired or terminated prior to January 1, 2023 and continue to have Company Stock in their account, will have their accounts reshuffled/exchanged. The reshuffling process will occur in installments over a three-year period.

In-service withdrawals are permitted for certain financial hardships and are limited to approval by the Plan administrator. Such distributions may not be taken from earnings on elective deferral accounts, Company common stock or the employer's safe harbor contributions.

Forfeitures

Plan forfeitures are allocated to each participant's account based upon the relation of the participant's compensation to total compensation for the Plan year. Forfeitures allocated to participants during December 31, 2023, totaled \$213,901. Forfeitures of terminated, nonvested account balances available to be allocated to remaining participants at December 31, 2023 and 2022, totaled \$162,810 and \$90,643, respectively.

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Notes to Financial Statements

NOTE 1 - DESCRIPTION OF PLAN AND BASIS OF PRESENTATION (Continued)

Put Option

Under federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments that are more diversified. Participants who are at least age 55 with at least ten years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%.

Participants electing diversification must do so in writing within 90 days after the close of the Plan year during the "Qualified Election Period". Execution of the election must be effective no later than 180 days after the close of a Plan year. Participants who elect diversification receive a cash distribution based upon the shares of the employer stock in the participant's account at year-end.

Voting Rights

Each participant is entitled to exercise certain voting rights attributable to the shares of Company stock allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. The Trustee is not permitted to vote any allocated share for which instructions have not been given by a participant. The Trustee is required, however, to vote any unallocated shares on behalf of the collective best interest of Plan participants and beneficiaries.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Allocations

The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to (a) the accounts of employees with rights in allocated stock ("allocated"), and (b) stock not yet allocated to employees ("unallocated"), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Notes to Financial Statements

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition

Investments, including Company stock, are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's valuation policies are determined by the Retirement Committee utilizing information provided by the Plan Trustee, investment advisors, custodians and insurance companies. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation in fair value of investments includes capital gain distributions and the Plan's gains and losses on investments bought and sold as well as held during the year.

The Plan allows participants to purchase individual insurance policies with Plan earnings in prior years. Plan assets in the accompanying statements of net assets available for benefits includes the cash value of these policies.

Contributions

Contributions from Plan participants and the matching contributions from the Company are recorded in the year in which the employee contributions are withheld from compensation.

Payment of Benefits

Benefits payments to participants are recorded when paid.

Use of Estimates

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

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees incurred by the Plan for asset and recordkeeping services are offset by revenue sharing investment income which are included in net appreciation of investments. Certain expenses relating to specific transactions, such as distribution processing and premiums on life insurance policies, are paid directly by the participant. To the extent that fees related to the Plan's operations exceed revenue share income, the Company pays such excess amount on behalf of the participants.

Subsequent Events

The Plan has evaluated events and transactions for potential recognition or disclosure through November 5, 2024, which is the date the financial statements were issued.

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Notes to Financial Statements

NOTE 3 - INFORMATION CERTIFIED BY A QUALIFIED INSTITUTION (Unaudited)

Certain information related to investments disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2023 and 2022, and net appreciation/depreciation in fair value of investments, and interest and dividends for the year ended December 31, 2023, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Mid-Atlantic Trust Company.

The following is a summary of the Plan's certified investment information as of December 31, 2023 and 2022, and for the year ended December 31, 2023, which is included throughout the Plan's financial statements and supplemental schedule of investments.

	2023	2022
Investments, at fair value:		
Mutual funds	\$ 79,151,027	\$ 71,140,513
Stable value collective investment trust funds	10,674,487	12,262,718
Collective investment trust fund	4,376,623	-
	<u>\$ 94,202,137</u>	<u>\$ 83,403,231</u>
Investment income:		
Net appreciation in fair value of investments	\$ 12,633,092	
Interest and dividends	\$ 1,475,204	

NOTE 4 - NON-PARTICIPANT-DIRECTED INVESTMENTS

Information about the net assets and the significant components of the changes in net assets relating to the non-participant-directed investments is as follows:

	2023		2022	
	Allocated	Unallocated	Allocated	Unallocated
Hoffman & Hoffman, Inc.				
common stock:				
Number of shares	445,677	110,323	428,826	127,174
Cost	\$ 9,037,633	\$ 14,311,764	\$ 7,501,343	\$ 15,848,055
Estimated fair value	\$ 129,830,256	\$ 32,138,104	\$ 93,964,372	\$ 27,866,348
Changes in net assets:				
Appreciation in fair value of investments	\$ 30,956,955	\$ 9,180,685		
Interest expense	-	(234,375)		
Employer contributions	1,657,763	1,668,379		
Benefits paid to participants	(7,785,686)	-		
Allocation of shares of Company stock	4,908,929	(4,908,929)		
	<u>\$ 29,737,961</u>	<u>\$ 5,705,760</u>		

NOTE 5 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy under Topic 820 - Fair Value Measurement are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

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

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

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Stable value collective investment trust funds: Valued using the net asset value ("NAV"), provided by the administrator of the funds. The NAV is based on the value of the underlying assets owned by the funds, minus its liabilities, and then divided by the number of shares outstanding. The NAV, as provided by Mid-Atlantic Trust Company, is used as a practical expedient to estimate fair value. This practical expedient is not used when it is determined to be probable that the funds will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily.

Collective investment trust fund: Valued at the NAV of units of a collective investment trust fund. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Notes to Financial Statements

NOTE 5 - FAIR VALUE MEASUREMENTS (Continued)

Collective investment trust fund (Continued): Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective investment trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

Company's common stock: The fair value of the Company's common stock held by the Plan is valued at fair value based upon an independent appraisal. This appraisal was based upon a combination of the asset-based and income valuation techniques consistent with prior years. The appraiser took into account historical and projected cash flows and net income made available through the Company's audited financial statements, return on assets, return on equity, market comparables, long-term growth rate, and estimated fair value of Company assets and liabilities. The appraiser also applied a discount for lack of marketability and liquidity as the Company is a closely-held business.

Cash value of life insurance: Valued by insurance providers based on contract provisions and comparisons to payments under similar policies.

The following tables set forth by level, within the fair value hierarchy, the Plan's fair value measurements at December 31, 2023 and 2022:

Fair Value Measurements at December 31, 2023				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 79,151,027	\$ -	\$ -	\$ 79,151,027
Company's common stock	-	-	161,968,360	161,968,360
Cash value of life insurance	-	32,453	-	32,453
Total assets in the fair value hierarchy	<u>\$ 79,151,027</u>	<u>\$ 32,453</u>	<u>\$ 161,968,360</u>	241,151,840
Investments measured at NAV as a practical expedient (a)				<u>15,051,110</u>
Investments at fair value				<u>\$ 256,202,950</u>

Fair Value Measurements at December 31, 2022				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 71,140,513	\$ -	\$ -	\$ 71,140,513
Company's common stock	-	-	121,830,720	121,830,720
Cash value of life insurance	-	30,852	-	30,852
Total assets in the fair value hierarchy	<u>\$ 71,140,513</u>	<u>\$ 30,852</u>	<u>\$ 121,830,720</u>	193,002,085
Investments measured at NAV as a practical expedient (a)				<u>12,262,718</u>
Investments at fair value				<u>\$ 205,264,803</u>

(a) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Notes to Financial Statements

NOTE 5 - FAIR VALUE MEASUREMENTS (Continued)

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2023.

	Investment in Hoffman & Hoffman, Inc. Common Stock
Balance at January 1, 2023	\$ 121,830,720
Unrealized appreciation in fair value of investments	40,137,640
Balance at December 31, 2023	<u>\$ 161,968,360</u>
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	<u>\$ 40,137,640</u>

Gains and losses (realized and unrealized) included in the changes in net assets for the period above are reported in net appreciation or depreciation in fair value of investments in the statement of changes in net assets available for benefits.

The Hoffman & Hoffman, Inc. common stock held by the Plan is reported at fair value at December 31, 2023 and 2022, based upon an appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior years as illustrated in the following table:

Investment	Fair Value at December 31, 2023	Fair Value at December 31, 2022	Valuation Technique	Significant Unobservable Inputs
Common Stock - Hoffman and Hoffman, Inc.	\$ 161,968,360	\$ 121,830,720	Income	Net income, Weighted average cost of capital, Discount rate, Discount for lack of marketability

The Plan uses a third-party trustee, Capital Trustee, LLC, to accumulate the data for the appraiser from historical and projected financial information of the Company. The appraiser prepares a report of estimated per share value that a participant will receive upon distribution. The Trustee reviews the appraisal for accuracy prior to approving the report.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Notes to Financial Statements

NOTE 6 - INVESTMENTS MEASURED USING THE NET ASSET VALUE PER SHARE PRACTICAL EXPEDIENT

The following table summarizes the stable value collective investment trusts for which fair value is measured using the net asset value per share practical expedient as of December 31, 2023 and 2022. There are no participant redemption restrictions for this investment; the redemption notice period is applicable only to the Plan.

The following schedule provides liquidity information for the stable value collective investment trust funds.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
December 31, 2023	\$ 10,674,487	None	Daily	60 Days
December 31, 2022	\$ 12,262,718	None	Daily	60 Days

The following schedule provides liquidity information for the collective investment trust fund.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
December 31, 2023	\$ 4,376,623	None	Daily	90 Days

NOTE 7 - NOTE PAYABLE

The Plan entered into a \$13,385,000 promissory note agreement with the Company during the year ended December 31, 2016. The proceeds of the loan were used to purchase Company common stock. Unallocated shares are pledged as collateral for the loan. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year payments divided by the total of the current year's payments, plus all future years' principal and interest payments. This resulted in 12,075.958 related shares being released and allocated for the Plan year ended December 31, 2023.

The 2016 promissory note agreement provides for the loan to be repaid to the Company over a period of 20 years. Annual installments plus accrued interest are payable on March 31, through the life of the loan. Interest on the loan accrues at the rate of 2.26%, compounded annually. The note may be prepaid in whole or in part at any time without premium or penalty, so long as the prepayment does not adversely affect the status of the Plan or the note under applicable IRC and ERISA regulations.

The Plan entered into a \$14,504,982 promissory note agreement with the Company during the year ended December 31, 2020. The proceeds of the loan were used to purchase participant shares of Company common stock and make distributions to participants. Shares held in suspense are pledged as collateral for the loan. Shares are released from suspense and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year payments divided by the total of the current year's payments, plus all future years' principal and interest payments. This resulted in 4,775.261 related shares being release from suspense and allocated for the Plan year ended December 31, 2023.

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Notes to Financial Statements

NOTE 7 - NOTE PAYABLE (Continued)

The 2020 promissory note agreement provides for the loan to be repaid to the Company over a period of 20 years. Annual installments plus accrued interest are payable on March 31, through the life of the loan. Interest on the loan accrues at the rate of 1.31%, compounded annually. The note may be prepaid in whole or in part at any time without premium or penalty, so long as the prepayment does not adversely affect the status of the Plan or the note under applicable IRC and ERISA regulations.

The scheduled amortization of the loans for the next 5 years is as follows:

<u>For the Year</u> <u>Ended December</u>	<u>Principal</u> <u>Payments</u>
2024	\$ 1,459,593
2025	1,486,824
2026	1,090,994
2027	692,907
2028	701,636
Thereafter	9,002,941
	<u>\$ 14,434,895</u>

NOTE 8 - RELATED PARTY AND PARTY IN INTEREST TRANSACTIONS

Plan investments include shares of Hoffman & Hoffman, Inc. company common stock. Hoffman & Hoffman, Inc. is the Plan Sponsor and, therefore qualifies as a party-in-interest. Plan investments also include shares of investment accounts managed by Mid-Atlantic, subsidiaries, and affiliated companies, therefore, these transactions qualify as party-in-interest transactions. Certain advisory services are provided by Compass Financial Partners and therefore qualifies as a party-in-interest transaction.

American Trust Company provides certain administrative and recordkeeping services to the Plan pursuant to a Service Agreement for Defined Contribution Plans ("Service Agreement") between the Company and American Trust Company. Fees paid to American Trust Company qualify as party-in-interest transactions. American Trust Company may receive revenue from mutual fund service providers for services provided to the funds. This revenue is to be used to offset certain expenses owed to American Trust Company, Mid-Atlantic, and FDA for services provided to the Plan.

The Plan receives revenue sharing payments from the mutual fund service providers, which offset fees paid by the Plan. Investment fees in excess of revenue sharing amounts are allocated to participant accounts and expensed.

NOTE 9 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions. The interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC.

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN
Notes to Financial Statements

NOTE 10 - TAX STATUS

The Internal Revenue Service has informed the Plan Administrator by a letter dated March 12, 2015, that the Plan is qualified under Section 401(a) of the IRC and, therefore, the trust is exempt from federal income taxes under Section 501(a) of the IRC. Although the Plan has been amended since receiving the opinion letter, the Plan administrator and the Plan Sponsor's tax council believes the Plan is currently designed and is being operated in compliance with the applicable provisions of the IRC, and therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Company has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2023 and 2022, 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.

NOTE 11 - RISKS AND UNCERTAINTIES

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

A significant portion of the Plan's investments are in stock of the Company. The Company operates primarily as a manufacturer's representative of heating and air conditioning equipment, principally in North Carolina, South Carolina and Virginia. The primary liquidity to the Plan for the Company stock comes from the Company's repurchases of the stock or additional cash contributions to the Plan.

The value of the Company's stock has been estimated by the Plan's trustee, in the absence of readily ascertainable market values. This estimate was done with the assistance of an outside appraiser. Because of the inherent uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for those securities existed, and the differences could be material.

SUPPLEMENTAL INFORMATION

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN**EIN: 56-0667189, Plan 001****Schedule H, Line 4i - Schedule of Assets (Held at End of Year)****December 31, 2023**

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Current Value
Sponsor Company common stock				
*	Hoffman & Hoffman, Inc.	Hoffman & Hoffman, Inc.	\$ 23,349,397	\$ 161,968,360
Mutual funds				
	Allspring	Allspring Special Small Cap Value Fund	**	3,389,289
	DWS	DWS RREEF Real Assets Fund - Class A	**	44,961
	Fidelity	Fidelity 500 Index	**	15,133,023
	Fidelity	Fidelity Extended Market Index	**	1,213,094
	Fidelity	Fidelity US Bond Index	**	174,925
	Fuller & Thaler	Fuller & Thaler Behav Small Cap Institutional	**	5,341,660
	Goldman Sachs	Goldman Sachs Emerging Markets Equity Insights I	**	2,967,534
	Hood River	Hood River Small Cap Growth Institutional	**	6,088,512
	JP Morgan	JP Morgan Core Plus Bond Fund R6	**	9,410,663
	PIMCO	PIMCO GNMA Fund Class I	**	6,249,109
	Principal	Principal Blue Chip Fund Class R6	**	11,018,351
	T. Rowe Price	T. Rowe Price Target 2065 Fund I Class	**	226,641
	T. Rowe Price	T. Rowe Price Target 2060 Fund I Class	**	386,640
	T. Rowe Price	T. Rowe Price Target 2055 Fund I Class	**	868,547
	T. Rowe Price	T. Rowe Price Target 2050 Fund I Class	**	1,038,222
	T. Rowe Price	T. Rowe Price Target 2045 Fund I Class	**	2,278,480
	T. Rowe Price	T. Rowe Price Target 2040 Fund I Class	**	396,297
	T. Rowe Price	T. Rowe Price Target 2035 Fund I Class	**	668,422
	T. Rowe Price	T. Rowe Price Target 2030 Fund I Class	**	950,471
	T. Rowe Price	T. Rowe Price Target 2025 Fund I Class	**	535,877
	T. Rowe Price	T. Rowe Price Target 2020 Fund I Class	**	107,029
	T. Rowe Price	T. Rowe Price Target 2015 Fund I Class	**	823
	T. Rowe Price	T. Rowe Price Target 2010 Fund I Class	**	14,379
	T. Rowe Price	T. Rowe Price Target 2005 Fund I Class	**	1,839
	T. Rowe Price	T. Rowe Price Value Fund	**	7,523,430
	Vanguard	Vanguard Real Estate Index Admiral	**	3,122,809
				<u>79,151,027</u>
Stable value collective investment trust funds				
	Great Gray	Great Gray MetLife GAC No. 25554	**	8,831,137
	Blackrock	Blackrock MSCI ACWI U.S. Index Fund	**	1,843,350
				<u>10,674,487</u>
Collective investment trust fund				
	Great Gray	Great Gray EuroPacific Growth Trust Class R1	**	4,376,623
Insurance policies				
	MassMutual	Various life insurance policies	**	32,453
Non-interest bearing cash account				
*	Mid Atlantic	Mid-Atlantic Master Cash Account	**	405,530
				<u>\$ 256,608,480</u>

* Denotes all investments are party-in-interest.

** Investments are participant directed, therefore, historical cost information is not required.

Note: The above data is based upon information which has been certified as accurate and complete by
Mid Atlantic Trust Company, except for the Sponsor Company common stock and Insurance policies.

HOFFMAN & HOFFMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN**EIN: 56-0667189, Plan 001****Schedule H, Line 4i - Schedule of Assets (Held at End of Year)****December 31, 2023**

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Current Value
Sponsor Company common stock				
*	Hoffman & Hoffman, Inc.	Hoffman & Hoffman, Inc.	\$ 23,349,397	\$ 161,968,360
Mutual funds				
	Allspring	Allspring Special Small Cap Value Fund	**	3,389,289
	DWS	DWS RREEF Real Assets Fund - Class A	**	44,961
	Fidelity	Fidelity 500 Index	**	15,133,023
	Fidelity	Fidelity Extended Market Index	**	1,213,094
	Fidelity	Fidelity US Bond Index	**	174,925
	Fuller & Thaler	Fuller & Thaler Behav Small Cap Institutional	**	5,341,660
	Goldman Sachs	Goldman Sachs Emerging Markets Equity Insights I	**	2,967,534
	Hood River	Hood River Small Cap Growth Institutional	**	6,088,512
	JP Morgan	JP Morgan Core Plus Bond Fund R6	**	9,410,663
	PIMCO	PIMCO GNMA Fund Class I	**	6,249,109
	Principal	Principal Blue Chip Fund Class R6	**	11,018,351
	T. Rowe Price	T. Rowe Price Target 2065 Fund I Class	**	226,641
	T. Rowe Price	T. Rowe Price Target 2060 Fund I Class	**	386,640
	T. Rowe Price	T. Rowe Price Target 2055 Fund I Class	**	868,547
	T. Rowe Price	T. Rowe Price Target 2050 Fund I Class	**	1,038,222
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	T. Rowe Price	T. Rowe Price Target 2035 Fund I Class	**	668,422
	T. Rowe Price	T. Rowe Price Target 2030 Fund I Class	**	950,471
	T. Rowe Price	T. Rowe Price Target 2025 Fund I Class	**	535,877
	T. Rowe Price	T. Rowe Price Target 2020 Fund I Class	**	107,029
	T. Rowe Price	T. Rowe Price Target 2015 Fund I Class	**	823
	T. Rowe Price	T. Rowe Price Target 2010 Fund I Class	**	14,379
	T. Rowe Price	T. Rowe Price Target 2005 Fund I Class	**	1,839
	T. Rowe Price	T. Rowe Price Value Fund	**	7,523,430
	Vanguard	Vanguard Real Estate Index Admiral	**	3,122,809
				<u>79,151,027</u>
Stable value collective investment trust funds				
	Great Gray	Great Gray MetLife GAC No. 25554	**	8,831,137
	Blackrock	Blackrock MSCI ACWI U.S. Index Fund	**	1,843,350
				<u>10,674,487</u>
Collective investment trust fund				
	Great Gray	Great Gray EuroPacific Growth Trust Class R1	**	4,376,623
Insurance policies				
	MassMutual	Various life insurance policies	**	32,453
Non-interest bearing cash account				
*	Mid Atlantic	Mid-Atlantic Master Cash Account	**	405,530
				<u>\$ 256,608,480</u>

* Denotes all investments are party-in-interest.

** Investments are participant directed, therefore, historical cost information is not required.

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