

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2023

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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.

Part I Annual Report Identification Information

For calendar plan year 2023 or fiscal plan year beginning 08/01/2023 and ending 07/31/2024

- A This return/report is for: [] a multiemployer plan [] a multiple-employer plan... [X] a single-employer plan [] a DFE (specify)
B This return/report is: [] the first return/report [] the final return/report [] an amended return/report [] a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here. []
D Check box if filing under: [X] Form 5558 [] automatic extension [] the DFVC program [] special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. []

Part II Basic Plan Information—enter all requested information

1a Name of plan EAST COAST DRILLING AND BLASTING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN) 002
1c Effective date of plan 01/01/2004
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) EAST COAST DRILLING AND BLASTING, INC. 481 AIRPORT RD LOUISBURG, NC 27549
2b Employer Identification Number (EIN) 16-1425971
2c Plan Sponsor's telephone number 919-570-0804
2d Business code (see instructions) 238900

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.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes rows for employer/plan sponsor and DFE.

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

Form 5500 (2023) v. 230707

3a Plan administrator's name and address <input checked="" type="checkbox"/> 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	207
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1)	156
	6a(2)	155
	6b	11
	6c	24
	6d	190
	6e	4
	6f	194
	6g(1)	146
	6g(2)	187
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:
2P 2I 2Q 3I

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

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance	(1) <input type="checkbox"/> Insurance
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust
(4) <input type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> 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	b General Schedules
(1) <input checked="" type="checkbox"/> R (Retirement Plan Information)	(1) <input checked="" type="checkbox"/> H (Financial Information)
(2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) <input type="checkbox"/> I (Financial Information – Small Plan)
(3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) <input type="checkbox"/> A (Insurance Information) – Number Attached <u>0</u>
(4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____	(4) <input type="checkbox"/> C (Service Provider Information)
(5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information)	(5) <input type="checkbox"/> D (DFE/Participating Plan Information)
	(6) <input type="checkbox"/> 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 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 **08/01/2023** and ending **07/31/2024**

A Name of plan EAST COAST DRILLING AND BLASTING, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 EAST COAST DRILLING AND BLASTING, INC.	D Employer Identification Number (EIN) 16-1425971

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	100	75
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	1493097	1142693
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1006354	1631269
(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)		
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	22360000	25050000
(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	24859551	27824037
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	3547140	2898226
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	3547140	2898226
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	21312411	24925811

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)	2295490	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2)	2a(3)		2295490
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	60067	
(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)		60067
(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)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	2604793	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		2604793

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		4960350

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1275243	
(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)		1275243
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		71682
i Administrative expenses:			
(1) Salaries and allowances.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Recordkeeping fees.....	2i(3)		
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees.....	2i(5)		
(6) Bank or trust company trustee/custodial fees.....	2i(6)	25	
(7) Actuarial fees.....	2i(7)		
(8) Legal fees.....	2i(8)		
(9) Valuation/appraisal fees.....	2i(9)		
(10) Other trustee fees and expenses.....	2i(10)		
(11) Other expenses.....	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		25
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1346950

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		3613400
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: **BATCHELOR, TILLERY & ROBERTS, LLP**

(2) EIN: **56-1750124**

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.)		X	
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.)		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		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?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
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.)	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 08/01/2023 and ending 07/31/2024

A Name of plan <u>EAST COAST DRILLING AND BLASTING, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>EAST COAST DRILLING AND BLASTING, INC.</u>	D Employer Identification Number (EIN) <u>16-1425971</u>	

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	<u>708263</u>
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): <u>58-1428634</u>		
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)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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.	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
11 a Does the ESOP hold any preferred stock?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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.)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

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

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

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

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

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment)	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
c The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14c	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

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

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

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

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

19 If the total number of participants is 1,000 or more, complete lines (a) and (b):

a Enter the percentage of plan assets held as:
 Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____%
 High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:
 0-5 years 5-10 years 10-15 years 15 years or more

20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? Yes No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:
 Yes.
 No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.
 No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.
 No. Other. Provide explanation.....

Part VII IRS Compliance Questions

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? Yes No

21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).
 Design-based safe harbor method
 "Prior year" ADP test
 "Current year" ADP test
 N/A

22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter ___/___/___ (MM/DD/YYYY) and the Opinion Letter serial number _____.

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Financial Statements and Schedules

July 31, 2024 and 2023

(With Independent Auditors' Report Thereon)

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Independent Auditors' Report

The Plan Administrator
East Coast Drilling and Blasting, Inc.
Employee Stock Ownership Plan:

We have audited the accompanying financial statements of East Coast Drilling and Blasting, Inc. Employee Stock Ownership Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for plan benefits as of July 31, 2024 and 2023, and the related statements of changes in net assets available for plan benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of East Coast Drilling and Blasting, Inc. Employee Stock Ownership Plan as of July 31, 2024 and 2023, and the changes in its net assets available for plan benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 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.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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.

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of assets (held at end of year) and of reportable transactions as of or for the year ended July 31, 2024, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the 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 generally accepted auditing standards.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Batchelor, Tillery, & Roberts, LLP

May 16, 2025

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Net Assets Available for Plan Benefits

July 31, 2024 and 2023

	2024			2023		
	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
<u>Assets</u>						
Investment in East Coast Drilling and Blasting, Inc. common stock, at estimated fair value	\$ 19,977,308	5,072,692	25,050,000	16,823,108	5,536,892	22,360,000
Cash and cash equivalents	1,631,344	-	1,631,344	1,006,454	-	1,006,454
Contributions receivable	<u>1,142,693</u>	<u>-</u>	<u>1,142,693</u>	<u>1,413,143</u>	<u>79,954</u>	<u>1,493,097</u>
Total assets	<u>22,751,345</u>	<u>5,072,692</u>	<u>27,824,037</u>	<u>19,242,705</u>	<u>5,616,846</u>	<u>24,859,551</u>
<u>Liabilities and Net Assets</u>						
Interest payable	-	-	-	-	79,954	79,954
Debt obligation	<u>-</u>	<u>2,898,226</u>	<u>2,898,226</u>	<u>-</u>	<u>3,467,186</u>	<u>3,467,186</u>
Total liabilities	<u>-</u>	<u>2,898,226</u>	<u>2,898,226</u>	<u>-</u>	<u>3,547,140</u>	<u>3,547,140</u>
Net assets available for plan benefits	\$ <u>22,751,345</u>	<u>2,174,466</u>	<u>24,925,811</u>	<u>19,242,705</u>	<u>2,069,706</u>	<u>21,312,411</u>

See accompanying notes to financial statements.

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Changes in Net Assets Available for Plan Benefits

Years ended July 31, 2024 and 2023

	2024			2023		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
Additions:						
Employer contributions	\$ 1,654,848	640,643	2,295,491	1,640,699	79,954	1,720,653
Interest	60,067	-	60,067	21,333	-	21,333
Net appreciation in fair value of East Coast Drilling and Blasting, Inc. common stock	1,999,534	605,259	2,604,793	7,704,017	2,570,346	10,274,363
Allocation of 451 shares of East Coast Drilling and Blasting, Inc. common stock in 2024, at estimated fair value	<u>1,069,459</u>	<u>(1,069,459)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total additions	<u>4,783,908</u>	<u>176,443</u>	<u>4,960,351</u>	<u>9,366,049</u>	<u>2,650,300</u>	<u>12,016,349</u>
Deductions:						
Interest expense	-	71,683	71,683	-	79,954	79,954
Distributions	1,275,243	-	1,275,243	464,168	-	464,168
Other expense	<u>25</u>	<u>-</u>	<u>25</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deductions	<u>1,275,268</u>	<u>71,683</u>	<u>1,346,951</u>	<u>464,168</u>	<u>79,954</u>	<u>544,122</u>
Net increase in net assets available for plan benefits	3,508,640	104,760	3,613,400	8,901,881	2,570,346	11,472,227
Net assets (deficit) available for plan benefits - beginning of year	<u>19,242,705</u>	<u>2,069,706</u>	<u>21,312,411</u>	<u>10,340,824</u>	<u>(500,640)</u>	<u>9,840,184</u>
Net assets available for plan benefits - end of year	\$ <u>22,751,345</u>	<u>2,174,466</u>	<u>24,925,811</u>	<u>19,242,705</u>	<u>2,069,706</u>	<u>21,312,411</u>

See accompanying notes to financial statements.

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

July 31, 2024 and 2023

(1) Summary of Significant Plan Provisions

The following brief description of the East Coast Drilling and Blasting, 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.

(a) General

The Plan is a qualified employee stock ownership plan which covers substantially all employees of East Coast Drilling and Blasting, Inc. (the “Company”). The Plan was established to enable participating employees to share in the growth and prosperity of the Company and to provide participants with the opportunity to accumulate capital for their future economic security. The Plan is non-participant directed. It is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

(b) Nature of Business of Plan Sponsor

The Company is engaged in drilling, blasting and crushing services with operations primarily in North Carolina.

(c) Eligibility

Any employee who has completed at least 1,000 hours of service within 1 year of service, and is 21 years old, is eligible to participate in the Plan. A participant retroactively enters the Plan as of the first day of the Plan year during the Plan year in which they meet the eligibility requirements.

(d) Contributions

The Company may contribute annually to the Plan up to the limitations set forth in the Internal Revenue Code (“IRC”) an amount to be determined by its Board of Trustees. The allocation of contributions shall be in the ratio that each eligible participant’s compensation bears to the total eligible compensation. A participant must complete at least 1,000 hours of service and be employed by the Company on the last day of the Plan year to be eligible for an allocation of contributions unless the participant is not actively employed on the last day of the Plan year due to retirement or death. Participant contributions are not required or allowed.

(e) Participant’s Accounts

Each participant’s account is credited with an allocation of (a) the Company’s contribution, (b) Plan earnings/losses and (c) eligible forfeitures, and is charged with applicable withdrawals and administrative expense. Allocations are based on participant compensation or account balances, as defined. See note 8 for discussion of allocated and unallocated shares of Company stock. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements, Continued

July 31, 2024 and 2023

(1) Summary of Significant Plan Provisions, Continued

(f) Vesting

Upon reaching normal retirement age or death, a participant shall be 100% vested in his account. A grandfather provision allows plans with a qualifying existing employer securities loan as of September 26, 2005 to continue to use the vesting schedule described below:

<u>Years of Service</u>	<u>Non-forfeitable Percentage</u>
Less than 5	0%
5 or more	100%

(g) Forfeitures

The portion of a participant's account to which he is not entitled upon termination is deemed a forfeiture. Forfeitures incurred each Plan year shall be allocated as of the last day of the Plan year. A participant must complete at least 1,000 hours of service and be employed by the Company on the last day of the Plan year to be eligible for an allocation of forfeitures unless they are not actively employed on the last day of the Plan year due to retirement or death. The allocation of forfeitures shall be in the ratio that each eligible participant's compensation bears to the total eligible compensation. Forfeited amounts redistributed to eligible participants totaled \$21,368 in 2024 and \$102,730 in 2023.

(h) Payment of Benefits

Participants become eligible to receive benefits upon normal retirement (previously age 65, amended to age 62 effective August 1, 2017, or the 5th anniversary of his/her commencement of Plan participation), death or termination of employment. Such participants shall be eligible to have their distributions commence on or about the 180th day following the end of the Plan year in which such death, retirement, or termination of employment occurs. Distributions up to a certain dollar amount are made in the form of a lump sum or otherwise paid in substantially equal installments over a period not to exceed five years.

The Plan may make distributions to terminated participants in the form of Company common stock, which is then repurchased from the participant by the Company, and the shares are subsequently recontributed to the Plan.

As of July 31, 2024, the Plan is contingently liable for approximately \$1,909,000 in eligible distributions. All distributions of the Plan are funded by Company contributions to the Plan.

Amounts allocated to accounts of participants who have elected to withdraw from the Plan but have not been paid as of July 31, 2024, totaled \$33,359.

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements, Continued

July 31, 2024 and 2023

(1) Summary of Significant Plan Provisions, Continued

(i) Voting Rights of Stock

A participant or beneficiary shall be entitled to direct the Plan's Trustee as to the manner in which voting rights will be exercised regarding any corporate matter which involves the voting of such Company stock allocated to the participant's or beneficiary's account with respect to the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all assets, or such similar transaction as may be prescribed in treasury regulations of the IRC. If timely instructions on how to vote any shares of Company stock are not received, those stock shares will not be part of the vote.

(j) Termination of the Plan

The Company has the right to terminate the Plan according to Plan provisions. All participants will become 100% vested at such time, and the assets of the Plan will be distributed to the participants in accordance with Plan provisions. The Company has not expressed any intention to terminate the Plan.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

(b) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to make estimates and assumptions (primarily related to the valuation of the Company's stock) that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets available for plan benefits during the reporting period. Accordingly, actual results could differ from these estimates.

(c) Valuation of Investments

The Plan's investment in shares of the Company's common stock is recorded at fair value as determined annually by an independent appraiser. Because of the inherent subjectivity in any valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements, Continued

July 31, 2024 and 2023

(2) Summary of Significant Accounting Policies, Continued

(c) Valuation of Investments, Continued

The Plan presents in the statements of changes in net assets available for plan benefits the net appreciation (depreciation) in the fair value of its investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments.

(d) Fair Value Measurements

Fair value is defined as 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 authoritative guidance for fair value measurements establishes a hierarchy which encourages an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs are unobservable and have the lowest priority. The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Common Stock in East Coast Drilling and Blasting, Inc.

The Company's common stock is valued at fair value using an independent appraisal by reviewing financial information pertaining to the Company and the construction industry, and information regarding market conditions on or about the valuation date. In 2024 and 2023, the investment was measured using the discounted cash flow method, including a discount to reflect a factor for the lack of marketability of the Company's common stock. The appraiser prepares a preliminary report which Plan management, along with the Trustees, reviews in detail, discusses, and approves.

(e) Payment of Benefits

Benefits are recorded when paid.

(f) Administrative Costs

The Plan's sponsor paid substantially all administrative costs of the Plan during 2024 and 2023.

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements, Continued

July 31, 2024 and 2023

(3) Tax Status

The Internal Revenue Service (“IRS”) determined and informed the Company by letter dated February 23, 2018, that the Plan and related trust were designed in accordance with applicable sections of the IRC. The Plan has been amended since that determination; however, the Plan’s management believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan’s financial statements.

Accounting principles generally accepted in the United States of America require the plan administrator to evaluate tax positions taken by the Plan and recognize a tax liability for any uncertain position that more likely than not would not be sustained upon examination by the IRS. No provision for income taxes has been included in the Plan’s financial statements for uncertain tax positions. The Plan is subject to routine audits by tax authorities; however, there are currently no audits for any tax periods in progress.

(4) Investments

The Plan’s investment in the Company’s common stock is as follows:

	2024			2023		
	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Number of shares	7,975	2,025	10,000	7,524	2,476	10,000
Cost	\$ 8,248,544	2,094,493	10,343,037	\$ 7,419,882	2,442,064	9,861,946
Fair value	\$ 19,977,308	5,072,692	25,050,000	\$ 16,823,108	5,536,892	22,360,000

(5) Fair Value Measurements

The Plan’s investment in common stock of the Company is reported at fair value in the accompanying statements of net assets available for plan benefits. The following table provides further details of the changes in the Level 3 fair value measurement for the Plan’s investment in the Company’s common stock during 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 22,360,000	11,979,999
Distributions paid in shares	(708,263)	(121,918)
Recontributed shares (316.75 in 2024 and 101.77 in 2023), included in employer contributions	793,470	227,556
Net appreciation included in changes in net assets available for plan benefits	<u>2,604,793</u>	<u>10,274,363</u>
Balance, end of year	<u>\$ 25,050,000</u>	<u>22,360,000</u>

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements, Continued

July 31, 2024 and 2023

(6) Diversification

Participants who are at least age 55 with 10 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 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participants who elect to diversify receive a cash distribution.

(7) Put Option

Under the terms of the Plan, any stock acquired with the proceeds of an exempt loan must be subject to a put option. As a result, any participant has the right to require the Company to repurchase stock received in a distribution under a fair valuation formula. In addition, the Company is granted a first right of refusal by the terms of the Plan which requires the participant to give written notice of his desire to sell any shares distributed from the Plan.

(8) Debt Obligation

The Plan has entered into a promissory note agreement with the Company. This borrowing is collateralized by the unallocated shares of common stock. The Company has no rights against shares of common stock once they are allocated to participants. Accordingly, the financial statements of the Plan present separately the assets and liabilities, and changes therein, pertaining to the accounts of participants with vested rights in allocated stock (Allocated) and stock not yet allocated to participants (Unallocated). As the Plan makes each payment of principal and interest, a fraction of stock will be allocated to eligible participants' accounts. The numerator of the fraction shall be the amount of principal and interest paid on the debt for the Plan year. The denominator of the fraction shall be the sum of the numerator plus the total payments of principal and interest on the debt projected to be paid for all future Plan years. As a result, approximately 226 pledged shares of Company stock valued at \$505,826 were committed to be released to participants as of July 31, 2023. These shares were legally released as collateral when the related debt payment was made in November 2023. Approximately 225 previously pledged shares of Company stock valued at \$563,633 were allocated to participants during 2024. The note is collateralized by the Plan's unallocated shares of the Company stock (2,025 shares as of July 31, 2024 and 2,476 shares as of July 31, 2023).

Debt obligation is summarized as follows:

	<u>2024</u>	<u>2023</u>
Note payable to the Company with interest payable at 2.25% per annum in annual installments of \$359,327, including interest, each July 31 through 2033.	\$ <u>2,898,226</u>	<u>3,467,186</u>

The payment due July 31, 2023 was paid subsequent to year end, in November 2023. As such, interest payable of \$79,954 was accrued and the balance was re-amortized as of July 31, 2023.

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements, Continued

July 31, 2024 and 2023

(8) Debt Obligation, Continued

The scheduled maturities of the debt obligation for each of the years subsequent to July 31, 2024 are as follows:

<u>Year ending July 31,</u>	
2025	\$ 294,117
2026	300,735
2027	307,501
2028	314,420
2029	321,494
Thereafter	<u>1,359,959</u>
	\$ <u>2,898,226</u>

Due to the Great Recession of 2008 to 2012, the Company's gross compensation dropped so significantly that the contributions required to be made to the Plan to meet its obligations under its promissory note to the Company far exceeded the amount that was permitted as a deduction under Code Section 404(a)(3). Other administrative issues related to the Plan also arose during this period. As a result of these conditions, the debt obligation was subsequently restructured, and an Application for Voluntary Correction Program was submitted to the IRS in May 2016. Under the restructuring, the following actions were taken: the Company recharacterized as forgiveness of indebtedness \$2,440,002 of the debt owed by the Plan to the Company; the interest rate was decreased from 5.50% to 2.25%; the term of the obligation was extended by 9 years (from 20 to 29 years); and, these changes were retroactively applied to the loan beginning in the 2010 Plan year, and the loan was reamortized. This approach was implemented to depict the actual activity in the Plan before 2016 and to reset the payments going forward.

These financial statements reflect the retroactive application of the debt restructuring as described above. The Company asked that this approach be approved by the IRS and that the Plan not lose its status as a qualified plan as a result of the matters disclosed in and corrected pursuant to their Voluntary Correction Program submission. On November 6, 2019, the Company received a closing letter from the IRS that outlined the tax issues and failures disclosed in the submission and the corrective actions taken to resolve them. As a result, in 2019 the Plan released an additional 909 shares of Company stock for allocation, valued at \$608,253, that were held in suspense beginning in 2010. The IRS agreed that the corrective actions were acceptable and closed the matter. See note 11.

(9) Risks and Uncertainties

Financial instruments, which potentially subject the Plan to concentration of credit risk, consist of investments in Company common stock. 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 statement of net assets available for plan benefits.

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements, Continued

July 31, 2024 and 2023

(9) Risks and Uncertainties, Continued

Cash is held in a bank, and under expanded coverage available to employee benefit plan accounts, is fully insured by the Federal Deposit Insurance Corporation (FDIC).

(10) Related Party Transactions

As of July 31, 2024 and 2023, the Plan held investments in 10,000 shares of the Company's common stock, which represents 100% of the shares then outstanding. As a result, the Plan's investments in the common stock of the Company and investment transactions pertaining to the common stock of the Company were with a party-in-interest. As of July 31, 2024 and 2023, the Plan also has contributions and other receivables from the Company totaling \$1,142,693 and \$1,493,097, respectively. These transactions are exempt from being prohibited transactions under ERISA.

(11) Liquidity and Contingencies

As described in note 8, during 2016, the Company submitted an Application for Voluntary Correction Program to the IRS that included a proposed restructuring of the Plan's debt obligations under its promissory note to the Company. Under this restructured debt, the Plan anticipates receiving sufficient contributions from the Company and being able to meet its obligations to Plan participants as they become due. On November 6, 2019, the Company received the IRS closing letter in which the IRS agreed that the corrective actions were acceptable and closed the matter. As of July 31, 2019, and beyond, all conclusions from this closing memo were reflected in the Plan's financial statements.

(12) Subsequent Events

The date to which events occurring after July 31, 2024, the date of the most recent statement of net assets available for plan benefits, have been evaluated for possible adjustment to the financial statements or disclosure is May 16, 2025, the date the financial statements were available to be issued.

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Schedule of Assets (Held at End of Year)

July 31, 2024

(a) Identity of issue, borrower, (b) lessor or similar party	Description of investment including maturity date, rate of interest (c) collateral, par or maturity value	(d) Cost	Current (e) value
* East Coast Drilling and Blasting, Inc.	10,000 shares of common stock, no par value (1)	<u>\$10,343,037</u>	<u>\$25,050,000</u>
Towne Bank	Money market account	<u>\$ 1,631,269</u>	<u>\$ 1,631,269</u>

* Denotes party-in-interest

- (1) Ownership of Company common stock is restricted to employees of the Company and to the Plan. Certain shares of the Company common stock (2,025 shares as of July 31, 2024) secure the debt obligation of the Plan to the Company.

EAST COAST DRILLING AND BLASTING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Schedule of Reportable Transactions

July 31, 2024

Identity of party <u>involved</u>	Description <u>of asset</u>	Purchase <u>price</u>	Selling <u>price</u>	Expense incurred with <u>transaction</u>	Cost of <u>asset</u>	Current value of asset on transaction <u>date</u>	Net <u>gain (loss)</u>
* East Coast Drilling and Blasting, Inc.	316.75 shares of East Coast Drilling and Blasting, Inc. Common Stock	\$ -	708,253	-	312,380	708,253	395,873
* East Coast Drilling and Blasting, Inc.	316.75 shares of East Coast Drilling and Blasting, Inc. Common Stock	\$ 793,459	-	-	793,459	793,459	-

Note: This schedule presents transactions in any security where the aggregate of such transactions in that security exceeds five percent of Plan assets as of August 1, 2024.

* Denotes party-in-interest

Schedule H, Line 4j
Schedule of Reportable Transactions

Name of Plan: ▶ East Coast Drilling and Blasting, Inc. Employee Stock Ownership Plan
Employer Identification Number (EIN): ▶ 16-1425971 Three-digit plan number: ▶ 002
For the plan year beginning/ending: ▶ 8/1/2023 - 7/31/2024

(a) Identity of party involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase Price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
East Coast Drilling and Blasting, Inc.	316.7545 shares of East Coast Drilling and Blasting, Inc. Common Stock		\$ 708,253			\$ 312,380	\$ 708,253	\$ 395,873
East Coast Drilling and Blasting, Inc.	316.7545 shares of East Coast Drilling and Blasting, Inc. Common Stock	\$ 793,459				\$ 793,459	\$ 793,459	\$ -

Schedule H, Line 4i
Schedule of Assets (Held At End of Year)

Name of Plan:

▶ East Coast Drilling and Blasting, Inc. Employee Stock Ownership Plan

Employer Identification Number: ▶ 16-1425971

For plan year (beginning/ending): ▶ 8/1/2023 - 7/31/2024

Plan number: ▶ 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
*	East Coast Drilling and Blasting, Inc.	10,000.0000 Shares of East Coast Drilling and Blasting, Inc. Common Stock	10,343,037	25,050,000
	TowneBank	Money Market	1,631,269	1,631,269
	* Party-in-Interest			