

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 <h2 style="text-align: center;">2023</h2> 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 06/01/2023 and ending 05/31/2024

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) _____

B This return/report is: the first return/report the final return/report

an amended return/report a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here.

D Check box if filing under: Form 5558 automatic extension the DFVC program

special extension (enter description)

E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.

Part II Basic Plan Information—enter all requested information

1a Name of plan <u>KEMRON ENVIRONMENTAL SERVICES, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	1b Three-digit plan number (PN) ▶ <u>002</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>KEMRON ENVIRONMENTAL SERVICES, INC.</u> <u>1359-A ELLSWORTH INDUSTRIAL BLVD</u> <u>ATLANTA, GA 30318</u>	1c Effective date of plan <u>06/01/2002</u> 2b Employer Identification Number (EIN) <u>11-2393978</u> 2c Plan Sponsor's telephone number <u>703-893-4106</u> 2d Business code (see instructions) <u>562000</u>

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

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	06/03/2025	JOHN M DWYER
	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 <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	216
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)	131
	6a(2)	141
	6b	8
	6c	79
	6d	228
	6e	1
	6f	229
	6g(1)	215
6g(2)	225	
6h	13	
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 2I 2P 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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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
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For calendar plan year 2023 or fiscal plan year beginning 06/01/2023 and ending 05/31/2024	
A Name of plan KEMRON ENVIRONMENTAL SERVICES, 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 KEMRON ENVIRONMENTAL SERVICES, INC.	D Employer Identification Number (EIN) 11-2393978

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

		(a) Beginning of Year	(b) End of Year
Assets			
a Total noninterest-bearing cash	1a	149852	306982
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(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)		
(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)	19129209	22828082
(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	19279061	23135064
Liabilities			
g Benefit claims payable	1g	138674	301291
h Operating payables	1h		
i Acquisition indebtedness	1i	8495968	7533858
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	8634642	7835149
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	10644419	15299915

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)	1500925	
(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)		1500925
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)		
(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)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	3698872	
(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)		
(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		5199797

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	306771	
(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)		306771
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		237530
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)		
(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)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		544301

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		4655496
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: GAFFEY DEANE & TALLEY, PLLC

(2) EIN: 83-3045455

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		1500000
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.	<small>OMB No. 1210-0110</small> 2023 This Form is Open to Public Inspection.
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For calendar plan year 2023 or fiscal plan year beginning 06/01/2023 and ending 05/31/2024

A Name of plan <u>KEMRON ENVIRONMENTAL SERVICES, 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>KEMRON ENVIRONMENTAL SERVICES, INC.</u>	D Employer Identification Number (EIN) <u>11-2393978</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	0
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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): 56-2420304

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	
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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)? Yes No N/A
If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a	
b Enter the amount contributed by the employer to the plan for this plan year	6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c	

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? Yes No N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? Yes No N/A

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

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? Yes No

11 a Does the ESOP hold any preferred stock? 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

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 06 / 30 / 2020 (MM/DD/YYYY) and the Opinion Letter serial number Q702661A.

**KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS**

MAY 31, 2024



**KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1 - 2
Statements of Net Assets (Deficit) Available for Benefits	3
Statement of Changes in Net Assets (Deficit) Available for Benefits	4
Notes to the Financial Statements	5 - 11
Supplemental Schedule:	
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)	12



12355 Sunrise Valley Drive
Suite 120 Reston, VA 20191
Phone 703.657.6040 Fax 703.880.7611
www.gdtplc.com

INDEPENDENT AUDITOR'S REPORT

To the Trustee
KEMRON Environmental Services, Inc.
Employee Stock Ownership Plan
Vienna, Virginia 22182

Report on the Financial Statements

We have audited the accompanying financial statements of KEMRON Environmental Services, Inc. Employee Stock Ownership Plan (the Plan), which comprise the statements of net assets (deficit) available for benefits as of May 31, 2024 and 2023, and the related statement of changes in net assets (deficit) available for benefits for the year ended May 31, 2024, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets (deficit) available for benefits of KEMRON Environmental Services, Inc. Employee Stock Ownership Plan as of May 31, 2024 and 2023, and the changes in its net assets (deficit) available for benefits for the year ended May 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's 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 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Gaffey Deane & Selley, P.C.

Reston, Virginia
May 30, 2025

KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS
May 31, 2024 and 2023

	2024			2023		
	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Assets						
Cash	\$ 306,981	\$ -	\$ 306,981	\$ 149,852	\$ -	\$ 149,852
Investments at fair value (Note 4)	<u>14,534,375</u>	<u>8,293,707</u>	<u>22,828,082</u>	<u>11,186,507</u>	<u>7,942,702</u>	<u>19,129,209</u>
Total assets	<u>14,841,356</u>	<u>8,293,707</u>	<u>23,135,063</u>	<u>11,336,359</u>	<u>7,942,702</u>	<u>19,279,061</u>
Liabilities						
Distributions payable	301,291	-	301,291	138,674	-	138,674
Loans payable (Note 6)	<u>-</u>	<u>7,533,858</u>	<u>7,533,858</u>	<u>-</u>	<u>8,495,968</u>	<u>8,495,968</u>
Total liabilities	<u>301,291</u>	<u>7,533,858</u>	<u>7,835,149</u>	<u>138,674</u>	<u>8,495,968</u>	<u>8,634,642</u>
Net assets (deficit) available for benefits	<u>\$ 14,540,065</u>	<u>759,849</u>	<u>\$ 15,299,914</u>	<u>\$ 11,197,685</u>	<u>(553,266)</u>	<u>\$ 10,644,419</u>

See accompanying notes to the financial statements.

KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF CHANGES IN NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS
For the Year Ended May 31, 2024

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Additions to net assets attributed to:			
Net depreciation in fair value of investments	\$ 2,163,051	1,535,820	\$ 3,698,872
Adjustment for overpayment	-		-
Employer contributions	301,284	1,199,641	1,500,925
Allocation of company stock	<u>1,184,815</u>	<u>-</u>	<u>1,184,815</u>
Total additions	<u>3,649,150</u>	<u>2,735,461</u>	<u>6,384,612</u>
Deductions from net assets attributed to:			
Benefits paid to participants	306,771	-	306,771
Interest expense	-	237,530	237,530
Allocation of company stock	<u>-</u>	<u>1,184,815</u>	<u>1,184,815</u>
Total deductions	<u>306,771</u>	<u>1,422,345</u>	<u>1,729,116</u>
Net increase in net assets available for benefits	3,342,379	1,313,115	4,655,496
Net assets (deficit) available for benefits:			
Beginning of the year	<u>11,197,685</u>	<u>(553,266)</u>	<u>10,644,418</u>
End of the year	<u>\$ 14,540,064</u>	<u>\$ 759,850</u>	<u>\$ 15,399,914</u>

See accompanying notes to the financial statements.

KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO THE FINANCIAL STATEMENTS
May 31, 2024 and 2023

1. Plan Description

The following description of KEMRON Environmental Services, Inc. Employee Stock Ownership Plan (the Plan) provides only general information. The plan agreement should be referred to for a more complete description of the Plan's provisions.

Kemron Environmental Services, Inc. (the Company) established the Plan effective June 1, 2002 and operates as a leveraged employee stock ownership plan. The Plan is an employee stock ownership plan under Section 4975(e)(7) of the Code and Section 407(d)(6) of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by a Trustee and by the Company for the exclusive benefit of participants.

The Plan's assets consist of common stocks of the Company and are held by the Trustee of the Plan.

Company contributions, which are discretionary, are held and managed by the Trustee, which invest cash received, interest and dividend income and make distributions to participants. Contributions are divided among the accounts of participants based on each participant's compensation in proportion to the total compensation of all eligible participants.

Employees of the Company are eligible to participate in the Plan after one year of service provided they worked at least 1,000 hours during the plan year. Participants who do not have at least 1,000 hours of service during the plan year or are not employed on the last working day of a plan year are generally not eligible for an allocation of the Company's contributions for the year.

No distributions from the Plan will be made until a participant retires, dies, or otherwise terminates employment with the Company. Distributions are made in cash only. If a participant leaves the Company before retirement or for reason other than death or disability, the vested interest in the participant's account is subject to the vesting schedule provided in the plan agreement. If a participant is not vested upon leaving the Company, the participant loses the right to the non-vested portion of the account. The forfeited amount will be restored to the participant if the Company rehires the participant before the five consecutive one-year breaks in service.

The Trustee usually decides how shares of the Company's stock held by the Plan will be voted.

Notes to the financial statements (continued)

On May 31, 2017, the Plan purchased the Company common stocks through term notes with the Company (Note 6) and holds the common stock in a trust established under the Plan. The borrowings are to be repaid over a period of 15 years by fully deductible Company contributions to the trust fund. As the Plan makes each payment of principal, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the Internal Revenue Code (IRC). Shares vest fully upon allocation.

The borrowing is collateralized by the unallocated shares of common stock and is guaranteed by the Company. The lender has no rights against shares of common stock once they are allocated under the provisions of the Plan. Accordingly, the financial statements of the Plan as of May 31, 2024, and for the year then ended, present separately the assets and liabilities and changes therein pertaining to:

1. the accounts of employees with vested rights in allocated common stock (Allocated) and
2. common stock not yet allocated to employees (Unallocated).

2. Summary of Significant Accounting Policies

a. Basis of accounting

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

b. 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 net assets (deficit) available for benefits, and additions and deductions therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

c. Investment valuation and income recognition

Investments at fair value represent the shares of the Company's common stock that are valued at fair value. See note 4 to the financial statements for discussion of fair value measurements.

Dividend income, if any, is accrued on the ex-dividend date.

Purchases and sales of securities are recorded on a trade-date basis. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes to the financial statements (continued)

d. Payment of benefits

Benefits are recorded when paid.

e. Administrative expenses

All expenses of maintaining the Plan are paid by the Company.

3. Tax Status

The Plan is a stock bonus plan under Section 401(a) of the IRC and is exempt from income taxes. Therefore, no provision for income taxes has been included in the Plan's financial statements.

The Internal Revenue Service issued its latest determination letter dated October 22, 2014, which expired on January 31, 2019 and stated that the Plan is designed in accordance with applicable sections of the IRC. The determination letter considered the 2012 Cumulative List of Changes in Plan Qualification Requirements. The determination letter is applicable for amendments executed on May 31, 2012 and December 14, 2009. The Plan has been amended since receiving the determination letter. The Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and is therefore tax-exempt as of the financial statement date.

4. Fair Value Measurements

The Plan's investments are reported at fair value in the accompanying statements of net assets (deficit) available for benefit. The methods used to measure fair value may produce an amount 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.

The following tables set forth, by level within the fair value hierarchy, the Plan's assets at fair value as of May 31, 2024 and 2023:

May 31, 2024

<u>Description</u>	<u>Total fair value</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments	\$ 22,828,082	\$ —	\$ —	\$ 22,828,082
	<u>\$ 22,828,082</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 22,828,082</u>

Notes to the financial statements (continued)

May 31, 2023

<u>Description</u>	<u>Total fair value</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments	\$ 19,129,209	\$ –	\$ –	\$ 19,129,209
	<u>\$ 19,129,209</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 19,129,209</u>

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The Plan generally uses Level 3 input.

Level 1 fair value measurements - The fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 fair value measurements - The fair value is based on inputs other than quoted prices within Level 1 that are observable for the asset, either directly or indirectly. Observable inputs include quoted market prices in active markets for similar assets, quoted prices in markets that are not active for identical or similar assets and other market observable inputs such as interest rate, credit spread and foreign currency exchange rates observable in the marketplace or derived from market transactions.

Level 3 fair value measurements - The value is based on at least one significant unobservable input for the asset. Level 3 securities contain unobservable market inputs and as a result considerable judgment may be used in determining the fair values.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodology used at May 31, 2024 and 2023.

The fair value of the Company's common stocks held by the Plan is based upon an independent valuation. The valuation was primarily based on the income approach, specifically the analysis of the discounted cash flows of the Company.

Notes to the financial statements (continued)

The following table provides further details of the Level 3 fair value measurements at May 31, 2024 and 2023:

Level 3 assets:	2024	2023
Balance, beginning of year	\$ 19,129,209	\$ 13,268,580
Unrealized gains (losses)	3,698,872	5,860,943
Employer contributions	306,772	145,029
Benefits paid to participants	(306,771)	(145,656)
Others		313
Balance, end of year	\$ 22,828,082	\$ 19,129,209

5. Investments

The Plan's investments in Company common stock at May 31, 2024 and 2023, are as follows:

	2024		2023	
	Allocated	Unallocated	Allocated	Unallocated
Number of shares	129,968	74,164	119,374	84,758
Cost	\$ 19,621,988	\$ 12,377,787	\$ 13,944,247	\$ 11,491,533
Fair value	\$ 14,534,374	\$ 8,293,708	\$ 11,186,507	\$ 7,942,702

6. Loans Payable

On May 31, 2017, the Plan purchased in a leveraged transaction a total of 159,681 shares at \$94 per share for a total of \$15,010,014. This was accomplished by the purchase of 106,362 shares directly from the shareholders and the purchase of 53,319 shares from the Company.

The purchase was financed as follows:

- The 106,362 shares for a total of \$9,998,014 was financed through a term loan with the Company. The loan has a fixed annual rate of 2.75% and is payable in 15 annual payments of principal and interest starting May 31, 2017 until May 31, 2031.
- The 53,319 shares for a total of \$5,012,000 was financed through a term loan with the Company. The loan has a fixed annual rate of 2.75% and is payable in 15 annual payments of principal and interest starting May 31, 2017 until May 31, 2031.

Unallocated shares are collateral for the loans. Shares are released from collateral and allocated to participants when principal and interest payments are made. The number of shares released in any year is the number of shares held as collateral, multiplied by the

Notes to the financial statements (continued)

ratio of the current year payments, divided by the total of this year's payments, plus all future years' principal and interest payments.

Maturities of the loans for each of the next five years and thereafter succeeding May 31, 2024 are as follows:

May 31, 2025	\$ 989,593
2026	1,017,183
2027	1,045,543
2028	1,074,346
2029	1,104,647
Thereafter	<u>2,302,546</u>
	<u>\$ 7,533,858</u>

7. Party-In-Interest Transactions

The Plan has investments in the Company's common stock and has indebtedness guaranteed by the Company. These are related party and party-in-interest transactions. As described in Note 2.e., the Company pays the expenses of the Plan. The Plan has a number of service providers. Such parties are parties-in-interest under ERISA.

8. Plan Termination

Although it has not expressed any intent to do so, the Company reserves the right to terminate the Plan at any time by action of the Company's Board of Directors, subject to the provisions of ERISA. If the Plan is terminated, all participant accounts become fully vested and distributable based on the Plan's guidelines. Any unallocated assets of the Plan shall be allocated to participant accounts and distributed in such manner as the Company may determine.

9. Risks and Uncertainties

The Plan invests in the Company's common stocks. These securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with investments in private company 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 (deficit) available for benefits.

10. Subsequent Events

The Plan has evaluated subsequent events for recognition or disclosure through the date of the independent auditor's report, which is the date these financial statements were available to be issued.

The Plan trustee estimated the future distributions to participants entitled to distributions as of May 31, 2024 to be \$306,732, which is tentatively scheduled for May 31, 2025, payment.

SUPPLEMENTAL INFORMATION

KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)
May 31, 2024

EIN: 11-2393978
Plan Number: 002

(a)	(b)	(c)	(d)	(e)
Party in interest	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
*	KEMRON Environmental Services, Inc.	Common stock; 204,132 shares	\$ 25,435,780	\$ 22,828,082
	Total assets held for investment purposes		<u>\$ 25,435,780</u>	<u>\$ 22,828,082</u>

Refer to accompanying independent auditor's report.

**KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS**

MAY 31, 2024



**KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1 - 2
Statements of Net Assets (Deficit) Available for Benefits	3
Statement of Changes in Net Assets (Deficit) Available for Benefits	4
Notes to the Financial Statements	5 - 11
Supplemental Schedule:	
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)	12



12355 Sunrise Valley Drive
Suite 120 Reston, VA 20191
Phone 703.657.6040 Fax 703.880.7611
www.gdtplc.com

INDEPENDENT AUDITOR'S REPORT

To the Trustee
KEMRON Environmental Services, Inc.
Employee Stock Ownership Plan
Vienna, Virginia 22182

Report on the Financial Statements

We have audited the accompanying financial statements of KEMRON Environmental Services, Inc. Employee Stock Ownership Plan (the Plan), which comprise the statements of net assets (deficit) available for benefits as of May 31, 2024 and 2023, and the related statement of changes in net assets (deficit) available for benefits for the year ended May 31, 2024, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets (deficit) available for benefits of KEMRON Environmental Services, Inc. Employee Stock Ownership Plan as of May 31, 2024 and 2023, and the changes in its net assets (deficit) available for benefits for the year ended May 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's 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 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Gaffey Deane & Selley, P.C.

Reston, Virginia
May 30, 2025

KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS
May 31, 2024 and 2023

	2024			2023		
	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Assets						
Cash	\$ 306,981	\$ -	\$ 306,981	\$ 149,852	\$ -	\$ 149,852
Investments at fair value (Note 4)	<u>14,534,375</u>	<u>8,293,707</u>	<u>22,828,082</u>	<u>11,186,507</u>	<u>7,942,702</u>	<u>19,129,209</u>
Total assets	<u>14,841,356</u>	<u>8,293,707</u>	<u>23,135,063</u>	<u>11,336,359</u>	<u>7,942,702</u>	<u>19,279,061</u>
Liabilities						
Distributions payable	301,291	-	301,291	138,674	-	138,674
Loans payable (Note 6)	<u>-</u>	<u>7,533,858</u>	<u>7,533,858</u>	<u>-</u>	<u>8,495,968</u>	<u>8,495,968</u>
Total liabilities	<u>301,291</u>	<u>7,533,858</u>	<u>7,835,149</u>	<u>138,674</u>	<u>8,495,968</u>	<u>8,634,642</u>
Net assets (deficit) available for benefits	<u>\$ 14,540,065</u>	<u>759,849</u>	<u>\$ 15,299,914</u>	<u>\$ 11,197,685</u>	<u>(553,266)</u>	<u>\$ 10,644,419</u>

See accompanying notes to the financial statements.

KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF CHANGES IN NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS
For the Year Ended May 31, 2024

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Additions to net assets attributed to:			
Net depreciation in fair value of investments	\$ 2,163,051	1,535,820	\$ 3,698,872
Adjustment for overpayment	-		-
Employer contributions	301,284	1,199,641	1,500,925
Allocation of company stock	<u>1,184,815</u>	<u>-</u>	<u>1,184,815</u>
Total additions	<u>3,649,150</u>	<u>2,735,461</u>	<u>6,384,612</u>
Deductions from net assets attributed to:			
Benefits paid to participants	306,771	-	306,771
Interest expense	-	237,530	237,530
Allocation of company stock	<u>-</u>	<u>1,184,815</u>	<u>1,184,815</u>
Total deductions	<u>306,771</u>	<u>1,422,345</u>	<u>1,729,116</u>
Net increase in net assets available for benefits	3,342,379	1,313,115	4,655,496
Net assets (deficit) available for benefits:			
Beginning of the year	<u>11,197,685</u>	<u>(553,266)</u>	<u>10,644,418</u>
End of the year	<u>\$ 14,540,064</u>	<u>\$ 759,850</u>	<u>\$ 15,399,914</u>

See accompanying notes to the financial statements.

KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO THE FINANCIAL STATEMENTS
May 31, 2024 and 2023

1. Plan Description

The following description of KEMRON Environmental Services, Inc. Employee Stock Ownership Plan (the Plan) provides only general information. The plan agreement should be referred to for a more complete description of the Plan's provisions.

Kemron Environmental Services, Inc. (the Company) established the Plan effective June 1, 2002 and operates as a leveraged employee stock ownership plan. The Plan is an employee stock ownership plan under Section 4975(e)(7) of the Code and Section 407(d)(6) of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by a Trustee and by the Company for the exclusive benefit of participants.

The Plan's assets consist of common stocks of the Company and are held by the Trustee of the Plan.

Company contributions, which are discretionary, are held and managed by the Trustee, which invest cash received, interest and dividend income and make distributions to participants. Contributions are divided among the accounts of participants based on each participant's compensation in proportion to the total compensation of all eligible participants.

Employees of the Company are eligible to participate in the Plan after one year of service provided they worked at least 1,000 hours during the plan year. Participants who do not have at least 1,000 hours of service during the plan year or are not employed on the last working day of a plan year are generally not eligible for an allocation of the Company's contributions for the year.

No distributions from the Plan will be made until a participant retires, dies, or otherwise terminates employment with the Company. Distributions are made in cash only. If a participant leaves the Company before retirement or for reason other than death or disability, the vested interest in the participant's account is subject to the vesting schedule provided in the plan agreement. If a participant is not vested upon leaving the Company, the participant loses the right to the non-vested portion of the account. The forfeited amount will be restored to the participant if the Company rehires the participant before the five consecutive one-year breaks in service.

The Trustee usually decides how shares of the Company's stock held by the Plan will be voted.

Notes to the financial statements (continued)

On May 31, 2017, the Plan purchased the Company common stocks through term notes with the Company (Note 6) and holds the common stock in a trust established under the Plan. The borrowings are to be repaid over a period of 15 years by fully deductible Company contributions to the trust fund. As the Plan makes each payment of principal, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the Internal Revenue Code (IRC). Shares vest fully upon allocation.

The borrowing is collateralized by the unallocated shares of common stock and is guaranteed by the Company. The lender has no rights against shares of common stock once they are allocated under the provisions of the Plan. Accordingly, the financial statements of the Plan as of May 31, 2024, and for the year then ended, present separately the assets and liabilities and changes therein pertaining to:

1. the accounts of employees with vested rights in allocated common stock (Allocated) and
2. common stock not yet allocated to employees (Unallocated).

2. Summary of Significant Accounting Policies

a. Basis of accounting

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

b. 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 net assets (deficit) available for benefits, and additions and deductions therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

c. Investment valuation and income recognition

Investments at fair value represent the shares of the Company's common stock that are valued at fair value. See note 4 to the financial statements for discussion of fair value measurements.

Dividend income, if any, is accrued on the ex-dividend date.

Purchases and sales of securities are recorded on a trade-date basis. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes to the financial statements (continued)

d. Payment of benefits

Benefits are recorded when paid.

e. Administrative expenses

All expenses of maintaining the Plan are paid by the Company.

3. Tax Status

The Plan is a stock bonus plan under Section 401(a) of the IRC and is exempt from income taxes. Therefore, no provision for income taxes has been included in the Plan's financial statements.

The Internal Revenue Service issued its latest determination letter dated October 22, 2014, which expired on January 31, 2019 and stated that the Plan is designed in accordance with applicable sections of the IRC. The determination letter considered the 2012 Cumulative List of Changes in Plan Qualification Requirements. The determination letter is applicable for amendments executed on May 31, 2012 and December 14, 2009. The Plan has been amended since receiving the determination letter. The Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and is therefore tax-exempt as of the financial statement date.

4. Fair Value Measurements

The Plan's investments are reported at fair value in the accompanying statements of net assets (deficit) available for benefit. The methods used to measure fair value may produce an amount 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.

The following tables set forth, by level within the fair value hierarchy, the Plan's assets at fair value as of May 31, 2024 and 2023:

May 31, 2024

<u>Description</u>	<u>Total fair value</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments	\$ 22,828,082	\$ —	\$ —	\$ 22,828,082
	<u>\$ 22,828,082</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 22,828,082</u>

Notes to the financial statements (continued)

May 31, 2023

<u>Description</u>	<u>Total fair value</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments	\$ 19,129,209	\$ –	\$ –	\$ 19,129,209
	<u>\$ 19,129,209</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 19,129,209</u>

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The Plan generally uses Level 3 input.

Level 1 fair value measurements - The fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 fair value measurements - The fair value is based on inputs other than quoted prices within Level 1 that are observable for the asset, either directly or indirectly. Observable inputs include quoted market prices in active markets for similar assets, quoted prices in markets that are not active for identical or similar assets and other market observable inputs such as interest rate, credit spread and foreign currency exchange rates observable in the marketplace or derived from market transactions.

Level 3 fair value measurements - The value is based on at least one significant unobservable input for the asset. Level 3 securities contain unobservable market inputs and as a result considerable judgment may be used in determining the fair values.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodology used at May 31, 2024 and 2023.

The fair value of the Company's common stocks held by the Plan is based upon an independent valuation. The valuation was primarily based on the income approach, specifically the analysis of the discounted cash flows of the Company.

Notes to the financial statements (continued)

The following table provides further details of the Level 3 fair value measurements at May 31, 2024 and 2023:

Level 3 assets:	2024	2023
Balance, beginning of year	\$ 19,129,209	\$ 13,268,580
Unrealized gains (losses)	3,698,872	5,860,943
Employer contributions	306,772	145,029
Benefits paid to participants	(306,771)	(145,656)
Others		313
Balance, end of year	\$ 22,828,082	\$ 19,129,209

5. Investments

The Plan's investments in Company common stock at May 31, 2024 and 2023, are as follows:

	2024		2023	
	Allocated	Unallocated	Allocated	Unallocated
Number of shares	129,968	74,164	119,374	84,758
Cost	\$ 19,621,988	\$ 12,377,787	\$ 13,944,247	\$ 11,491,533
Fair value	\$ 14,534,374	\$ 8,293,708	\$ 11,186,507	\$ 7,942,702

6. Loans Payable

On May 31, 2017, the Plan purchased in a leveraged transaction a total of 159,681 shares at \$94 per share for a total of \$15,010,014. This was accomplished by the purchase of 106,362 shares directly from the shareholders and the purchase of 53,319 shares from the Company.

The purchase was financed as follows:

- The 106,362 shares for a total of \$9,998,014 was financed through a term loan with the Company. The loan has a fixed annual rate of 2.75% and is payable in 15 annual payments of principal and interest starting May 31, 2017 until May 31, 2031.
- The 53,319 shares for a total of \$5,012,000 was financed through a term loan with the Company. The loan has a fixed annual rate of 2.75% and is payable in 15 annual payments of principal and interest starting May 31, 2017 until May 31, 2031.

Unallocated shares are collateral for the loans. Shares are released from collateral and allocated to participants when principal and interest payments are made. The number of shares released in any year is the number of shares held as collateral, multiplied by the

Notes to the financial statements (continued)

ratio of the current year payments, divided by the total of this year's payments, plus all future years' principal and interest payments.

Maturities of the loans for each of the next five years and thereafter succeeding May 31, 2024 are as follows:

May 31, 2025	\$ 989,593
2026	1,017,183
2027	1,045,543
2028	1,074,346
2029	1,104,647
Thereafter	<u>2,302,546</u>
	<u>\$ 7,533,858</u>

7. Party-In-Interest Transactions

The Plan has investments in the Company's common stock and has indebtedness guaranteed by the Company. These are related party and party-in-interest transactions. As described in Note 2.e., the Company pays the expenses of the Plan. The Plan has a number of service providers. Such parties are parties-in-interest under ERISA.

8. Plan Termination

Although it has not expressed any intent to do so, the Company reserves the right to terminate the Plan at any time by action of the Company's Board of Directors, subject to the provisions of ERISA. If the Plan is terminated, all participant accounts become fully vested and distributable based on the Plan's guidelines. Any unallocated assets of the Plan shall be allocated to participant accounts and distributed in such manner as the Company may determine.

9. Risks and Uncertainties

The Plan invests in the Company's common stocks. These securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with investments in private company 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 (deficit) available for benefits.

10. Subsequent Events

The Plan has evaluated subsequent events for recognition or disclosure through the date of the independent auditor's report, which is the date these financial statements were available to be issued.

The Plan trustee estimated the future distributions to participants entitled to distributions as of May 31, 2024 to be \$306,732, which is tentatively scheduled for May 31, 2025, payment.

SUPPLEMENTAL INFORMATION

KEMRON ENVIRONMENTAL SERVICES, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)
May 31, 2024

EIN: 11-2393978
Plan Number: 002

(a)	(b)	(c)	(d)	(e)
Party in interest	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
*	KEMRON Environmental Services, Inc.	Common stock; 204,132 shares	\$ 25,435,780	\$ 22,828,082
	Total assets held for investment purposes		<u>\$ 25,435,780</u>	<u>\$ 22,828,082</u>

Refer to accompanying independent auditor's report.