

| | | |
|---|---|---|
| <p style="text-align: center;">Form 5500</p> <p style="font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="font-size: small;">Department of Labor Employee Benefits Security Administration</p> <hr/> <p style="font-size: x-small;">Pension Benefit Guaranty Corporation</p> | <p>Annual Return/Report of Employee Benefit Plan</p> <p style="font-size: small;">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).</p> <p>▶ Complete all entries in accordance with the instructions to the Form 5500.</p> | <p style="font-size: x-small;">OMB Nos. 1210-0110 1210-0089</p> <hr/> <p style="font-size: large; font-weight: bold;">2023</p> <hr/> <p style="font-weight: bold;">This Form is Open to Public Inspection</p> |
|---|---|---|

Part I Annual Report Identification Information
 For calendar plan year 2023 or fiscal plan year beginning 09/01/2023 and ending 08/31/2024

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

| | |
|--|--|
| <p>1a Name of plan <u>LANGE COMPANIES, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u></p> | <p>1b Three-digit plan number (PN) ▶ <u>002</u></p> |
| <p>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>LANGE COMPANIES, INC.</u></p> <p><u>500 N. BROADWAY</u> <u>SUITE 1360</u> <u>ST. LOUIS, MO 63102</u></p> | <p>1c Effective date of plan <u>09/01/1981</u></p> <p>2b Employer Identification Number (EIN) <u>43-0961120</u></p> <p>2c Plan Sponsor's telephone number <u>314-934-2820</u></p> <p>2d Business code (see instructions) <u>424400</u></p> |

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. | 06/16/2025 | JOSH MCKEY |
| | 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 TOM LANGE COMPANY, INC. c Plan Name TOM LANGE COMPANY, INC. EMPLOYEE STOCK OWNERSHIP PLAN | 4b EIN 43-0961120 | |
| | 4d PN 002 | |
| 5 Total number of participants at the beginning of the plan year | 5 | 189 |
| 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) | 143 |
| | 6a(2) | 134 |
| | 6b | 20 |
| | 6c | 27 |
| | 6d | 181 |
| | 6e | 2 |
| | 6f | 183 |
| | 6g(1) | 180 |
| 6g(2) | 183 | |
| 6h | 9 | |
| 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:
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**
- (1) **R** (Retirement Plan Information)
 - (2) **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 - (3) **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
 - (4) **DCG** (Individual Plan Information) – Number Attached _____
 - (5) **MEP** (Multiple-Employer Retirement Plan Information)

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

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

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

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

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

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

Receipt Confirmation Code _____

| | | |
|--|--|---|
| SCHEDULE 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 |
|--|--|---|

| | |
|--|--|
| For calendar plan year 2023 or fiscal plan year beginning 09/01/2023 and ending 08/31/2024 | |
| A Name of plan LANGE COMPANIES, 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 LANGE COMPANIES, INC. | D Employer Identification Number (EIN) 43-0961120 |

| | |
|---------------|--------------------------------------|
| 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.

| | | (a) Beginning of Year | (b) End of Year |
|--|-----------------|-----------------------|-----------------|
| Assets | | | |
| a Total noninterest-bearing cash | 1a | | |
| b Receivables (less allowance for doubtful accounts): | | | |
| (1) Employer contributions | 1b(1) | | |
| (2) Participant contributions | 1b(2) | | |
| (3) Other | 1b(3) | 1145 | 2625 |
| c General investments: | | | |
| (1) Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 258580 | 1107640 |
| (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) | 132124867 | 136355840 |
| (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 | 132384592 | 137466105 |
| Liabilities | | | |
| g Benefit claims payable | 1g | | |
| h Operating payables | 1h | | |
| i Acquisition indebtedness | 1i | | |
| j Other liabilities | 1j | 25430321 | 33219310 |
| k Total liabilities (add all amounts in lines 1g through 1j) | 1k | 25430321 | 33219310 |
| Net Assets | | | |
| l Net assets (subtract line 1k from line 1f) | 1l | 106954271 | 104246795 |

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) | 5041067 | |
| (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) | | 5041067 |
| b Earnings on investments: | | | |
| (1) Interest: | | | |
| (A) Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 15788 | |
| (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) | | |
| (2) Dividends: | | | |
| (A) Preferred stock | 2b(2)(A) | | |
| (B) Common stock | 2b(2)(B) | 3988264 | |
| (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) | | |
| (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) | -2405193 | |
| (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 | | 6639926 |

Expenses

| | | | |
|--|--------|---------|---------|
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers..... | 2e(1) | 8659988 | |
| (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) | | 8659988 |
| f Corrective distributions (see instructions)..... | 2f | | |
| g Certain deemed distributions of participant loans (see instructions)..... | 2g | | |
| h Interest expense..... | 2h | | 687414 |
| 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 | | 9347402 |

Net Income and Reconciliation

| | | | |
|--|-------|--|----------|
| k Net income (loss). Subtract line 2j from line 2d..... | 2k | | -2707476 |
| 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: **KERBER, ECK & BRAECKEL**

(2) EIN: **43-0352985**

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 | | 2000000 |
| 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. |
|--|---|---|

For calendar plan year 2023 or fiscal plan year beginning 09/01/2023 and ending 08/31/2024

| | | |
|---|--|------------|
| A Name of plan <u>LANGE COMPANIES, 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>LANGE COMPANIES, INC.</u> | D Employer Identification Number (EIN) <u>43-0961120</u> | |

| | |
|---------------|----------------------|
| Part I | Distributions |
|---------------|----------------------|

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

| | | |
|--|----------|----------------|
| 1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions..... | 1 | <u>6061644</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.) |
|----------------|---|

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? Yes No N/A
If the plan is a defined benefit plan, go to line 8.

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

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

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

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

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

| | |
|-----------------|-------------------|
| Part III | Amendments |
|-----------------|-------------------|

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

| | |
|----------------|---|
| Part IV | ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part. |
|----------------|---|

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... Yes No

11 a Does the ESOP hold any preferred stock? Yes No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) Yes No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? Yes No

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 _____.



Financial Statements
and
Independent Auditors' Report



Lange Companies, Inc. Employee Stock Ownership Plan

August 31, 2024 and 2023

CONTENTS

| | <u>PAGE</u> |
|---|--------------------|
| INDEPENDENT AUDITORS' REPORT | 3 |
| FINANCIAL STATEMENTS | |
| STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS | 6 |
| STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS | 7 |
| NOTES TO FINANCIAL STATEMENTS | 8 |
| SUPPLEMENTAL SCHEDULE | |
| SCHEDULE OF ASSETS (HELD AT END OF YEAR) | 25 |

Independent Auditors' Report

Retirement Plan Committee and Participants
Lange Companies, Inc. Employee Stock Ownership Plan

Opinion

We have audited the financial statements of Lange Companies, Inc. Employee Stock Ownership 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 benefits as of August 31, 2024 and 2023, and the related statements of changes in net assets available for benefits for the years ended August 31, 2024 and 2023, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of Lange Companies, Inc. Employee Stock Ownership Plan as of August 31, 2024 and 2023, and the changes in net assets available for benefits for the years ended August 31, 2024 and 2023, 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 (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lange Companies, Inc. Employee Stock Ownership Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Lange Companies, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

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

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

In performing an audit in accordance with GAAS, we:

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

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (Held at End of Year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information 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 GAAS.

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

In our opinion, the information in the accompanying schedule 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.

Keiser, Eck + Braedel CP

Springfield, Illinois
June 13, 2025

Lange Companies, Inc. Employee Stock Ownership Plan
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
August 31

| | 2024 | | | 2023 | | |
|--|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| | Allocated | Unallocated | Total | Allocated | Unallocated | Total |
| ASSETS | | | | | | |
| Investments, at fair value | | | | | | |
| Sponsor Company common stock | \$ 95,541,112 | \$ 40,814,728 | \$136,355,840 | \$ 96,677,735 | \$ 35,447,132 | \$132,124,867 |
| Cash and cash equivalents | 1,107,640 | - | 1,107,640 | 258,580 | - | 258,580 |
| Interest income receivable | 2,625 | - | 2,625 | 1,145 | - | 1,145 |
| Total assets | 96,651,377 | 40,814,728 | 137,466,105 | 96,937,460 | 35,447,132 | 132,384,592 |
| LIABILITIES AND NET ASSETS | | | | | | |
| Related party | 57,643 | - | 57,643 | 57,643 | - | 57,643 |
| Long-term debt | - | 33,161,667 | 33,161,667 | - | 25,372,678 | 25,372,678 |
| Total liabilities | 57,643 | 33,161,667 | 33,219,310 | 57,643 | 25,372,678 | 25,430,321 |
| NET ASSETS AVAILABLE FOR BENEFITS | \$ 96,593,734 | \$ 7,653,061 | \$104,246,795 | \$ 96,879,817 | \$ 10,074,454 | \$106,954,271 |

The accompanying notes are an integral part of these statements.

Lange Companies, Inc. Employee Stock Ownership Plan
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Years ended August 31

| | 2024 | | | 2023 | | |
|--|---------------|--------------|----------------|---------------|---------------|----------------|
| | Allocated | Unallocated | Total | Allocated | Unallocated | Total |
| Additions | | | | | | |
| Investment income | | | | | | |
| Interest income | \$ 15,788 | \$ - | \$ 15,788 | \$ 10,830 | \$ - | \$ 10,830 |
| Unrealized depreciation of Sponsor Company common stock | (1,629,907) | (775,286) | (2,405,193) | (934,260) | (386,986) | (1,321,246) |
| Total investment income | (1,614,119) | (775,286) | (2,389,405) | (923,430) | (386,986) | (1,310,416) |
| Employer cash contributions | 3,832,019 | 1,209,048 | 5,041,067 | 992,015 | 2,216,950 | 3,208,965 |
| S Corporation distributions | 3,017,938 | 970,326 | 3,988,264 | - | - | - |
| Allocation of 21,289 and 21,676 shares of common stock of Sponsor Company in 2024 and 2023, respectively, at fair value | 3,138,067 | - | 3,138,067 | 3,251,462 | - | 3,251,462 |
| Total additions | 8,373,905 | 1,404,088 | 9,777,993 | 3,320,047 | 1,829,964 | 5,150,011 |
| Deductions | | | | | | |
| Distributions to participants | 8,659,988 | - | 8,659,988 | 13,406,347 | - | 13,406,347 |
| Interest expense | - | 687,414 | 687,414 | - | 724,988 | 724,988 |
| Allocation of 21,289 and 21,676 shares of common stock of Sponsor Company in 2024 and 2023, respectively, at fair value | - | 3,138,067 | 3,138,067 | - | 3,251,462 | 3,251,462 |
| Total deductions | 8,659,988 | 3,825,481 | 12,485,469 | 13,406,347 | 3,976,450 | 17,382,797 |
| NET DECREASE DURING THE YEAR | (286,083) | (2,421,393) | (2,707,476) | (10,086,300) | (2,146,486) | (12,232,786) |
| Net assets available for benefits at beginning of year | 96,879,817 | 10,074,454 | 106,954,271 | 106,966,117 | 12,220,940 | 119,187,057 |
| Net assets available for benefits at end of year | \$ 96,593,734 | \$ 7,653,061 | \$ 104,246,795 | \$ 96,879,817 | \$ 10,074,454 | \$ 106,954,271 |

The accompanying notes are an integral part of these statements.

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE A | DESCRIPTION OF THE PLAN

1. General

Tom Lange Company, Inc. (Company or Sponsor Company) established the Tom Lange Company, Inc. Employee Stock Ownership Plan (Plan or ESOP) effective September 1, 1981. As of September 1, 1989, the Plan was amended and restated and was designed to comply with the applicable sections 401(a), 409 and 4975(e)(7) of the Internal Revenue Code (Code) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Company, as defined, includes related companies that have adopted the Plan. These companies include Lange Logistics, Inc. and Tom Lange Company International, Inc. On September 1, 2024, the Company and its subsidiaries underwent a rebranding that included the formation of a new parent company and two name changes among its subsidiaries. Lange Companies, Inc. was established as the newly formed parent holding company. Tom Lange Company International, Inc. was renamed Lange Fresh Sales, Inc. Lange Companies International, Inc., was renamed Lange Fresh Farms, Inc., doing business as Lange Farms. The name of Lange Logistics, Inc. remains unchanged at this time. The financial statements and related audit report for the year ended August 31, 2024, refer to the entities by their new names. The restructuring has no financial impact on the consolidated financial statements.

Since its origination, the Plan has had various operational amendments. For example, the definition of compensation, payment of lump-sum distributions and Subchapter S Corporation prohibited allocations were plan amendments. Effective September 1, 2015, the Plan was restated to encompass prior amendments. Effective September 1, 2023, the Plan was restated again to incorporate any amendments since the prior restatement.

The Plan is administered by a Committee of five individuals appointed by the Company's board of directors. The trust department of an independent third-party bank is the Plan's trustee.

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE A | DESCRIPTION OF THE PLAN

2. Eligibility

Employees of the Company and its subsidiaries are eligible to participate in the Plan after one year of service provided they worked at least 1,000 hours during such plan year. Participants who do not have at least 1,000 hours of service during such plan year and are not employed on the last working day of a plan year are not eligible for an allocation of Company contributions for such year unless the separation from service is due to death, disability, or in connection with attainment of normal retirement age. Non-resident aliens, leased employees, non-international interns, and members of a collective bargaining agreement are excluded from the Plan.

3. Contributions

The Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan. Employee contributions are not permitted.

4. Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released by the Trustee from the unallocated account and forfeitures of terminated participants' nonvested accounts. Only those participants who are eligible employees of the Company as of the last day of the plan year, or retire, die, or become disabled during the plan year will receive an allocation. Employer contributions are allocated to participants' accounts pro rata according to participants' eligible compensation for the year. Plan earnings and S Corporation Distributions are allocated to each participant's account based on the ratio of shares in the participant's account.

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE A | DESCRIPTION OF THE PLAN

5. *Vesting*

A participant who resigns or is dismissed from employment is subject to the following vesting schedule, where a year of service is defined as 1,000 hours or more. A participant that dies or becomes disabled becomes 100% vested.

| <u>Years of Service</u> | <u>Vested Interest</u> |
|-------------------------|------------------------|
| Less than 2 | 0 % |
| 2 but less than 3 | 20 |
| 3 but less than 4 | 40 |
| 4 but less than 5 | 60 |
| 5 but less than 6 | 80 |
| 6 or more | 100 |

6. *Benefit Payments*

Under the terms of the plan document, the timing and method of distribution of benefits is determined by the Plan Committee (the Committee). The Committee has set a policy for the distribution and repurchase of vested participant account balances.

Distribution of a participant's entire balance of his or her ESOP accounts will be made when the participant retires, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives) becomes disabled, as defined in the plan document, or otherwise terminates employment with the Company (providing the participant has completed six years of service.) If a participant terminates employment with the Company after completing less than six years of service for reasons other than retirement, death or disability, then the participant will receive a distribution equal to his or her vested portion of his or her ESOP account. For termination for retirement upon normal retirement age, death or disability, the participant's accounts in his or her ESOP accounts become fully vested. The amount to be distributed is based upon the immediately preceding valuation date.

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE A | DESCRIPTION OF THE PLAN

6. *Benefit Payments*

If the value of participant's vested account balance is equal to or less than five thousand dollars (seven thousand for all distributions made on or after January 1, 2024), the participant may elect to receive a lump sum distribution of their vested balance or have such distributions rolled to an eligible retirement plan. In the event there is no response from a participant, the distributions will be directed to an automatic rollover IRA as soon as administratively practicable following the end of the Plan year in which the participant incurred such separation from service.

Prior to September 1, 2023, if a participant's vested balance was less than \$ 250,000, then the distribution was made in cash. If a participant's vested balance is greater than \$ 250,000, then the distribution was made in the form of shares of Company stock and cash representing the balance of the participant's "Other Investments" account. Stock purchased by the ESOP was paid out to the participant in the form of substantially equal installments over a period not to exceed five years, provided that the minimum annual installment is to be at least \$ 100,000, except for the final installment, which may be less than \$ 100,000. Under the provisions of the Plan, stock distributed is subject to a mandatory buy-back under which the Company is primarily obligated to buy back the stock; however, in certain years the ESOP purchased directly from participants the stock distributed from the ESOP.

If the value of a Participant's Vested Account Balance was greater than five thousand dollars (seven thousand dollars for all distributions made on or after January 1, 2024), the Committee has the right to select the payout method, whether lump sum or installments following the end of the Plan Year in which the Participant incurred a Separation from Service. If the Committee elects to distribute the Participant's Vested Account Balance over a period of time, distributions must be made in equal installments, not to exceed a period of five years.

Effective September 1, 2023, if a participant is disabled, and the vested balance of the participant's account does not exceed \$ 250,000, the distribution of the participant's account is made as soon as administratively possible after the Company is notified of the participant's disability and thirty days from the date the company is provided the participant's vested account balance from the immediately preceding accounting date. If the participant is disabled and the vested balance exceeds \$ 250,000, distribution of the participant's account will be made in installments, with the first annual installment to be the greater of 20% of the vested account balance or \$ 100,000 and distributed as soon as administratively possible. The second and all future installment payments shall be a minimum of \$ 100,000, with the exception of the final installment.

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE A | DESCRIPTION OF THE PLAN

6. Benefit Payments

Also effective September 1, 2023, if a participant's employment is terminated for any reason other than by reason of disability (i.e., retirement, death, resignation or termination of employment), and a participant's vested account balance does not exceed five hundred thousand dollars (\$500,000), distribution of the participant's vested account will be made as soon as administratively possible following the end of the Plan Year in which the participant incurred a separation from service. If a participant's employment is terminated for any reason other than by disability, and a participant's vested account balance exceeds five hundred thousand dollars (\$500,000), distribution of the participant's vested Account will be made to the participant in the form of substantially equal annual installments, with the first installment being a minimum of at least \$100,000 and the final annual installment shall be equal to the remaining account balance even if under one \$100,000.

During the years ended August 31, 2024 and 2023, terminated and diversifying participants sold 40,410.96 and 85,243.12 shares, respectively, of Company stock to the Company at the price determined from the annual independent appraisal. In turn, during the years ended August 31, 2024 and 2023, the Company contributed back to the ESOP 22,779.07 and 3,300.33 shares, respectively, of Company common stock. During the year ended August 31, 2004, 14,554.58 shares of Company stock were purchased directly by the ESOP from terminated and diversifying participants using cash from within the Plan. These shares were recycled and reallocated. No shares were purchased directly by the ESOP during the year ended August 31, 2023. During the plan year ended August 31, 2024, the Company loaned the Plan \$9,280,950 for the purchase of 61,873 shares of Company common stock. The purpose of this transaction was to leverage the plan for future retirements similar to past transactions. See Note G for further disclosure. The shares are unallocated and serve as collateral for the debt. During the years ended August 31, 2024 and 2023, 21,289.47 and 21,676.42 shares, respectively, were allocated due to principal payments made on notes payable to the Company. Repurchased and unallocated shares were 276,897.75 and 236,314.22 at August 31, 2024 and 2023, respectively.

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE A | DESCRIPTION OF THE PLAN

7. Forfeitures

If a participant terminates prior to completing six years of service, the nonvested portion of his or her account is forfeited and credited to a forfeiture account. The balance in the forfeiture account will be allocated and credited to the remaining participant accounts in the year of forfeiture based upon the relation of the participants' eligible compensation to the total eligible compensation for the plan year. If the Participant returns to employment with the Company within five years of termination, the amount forfeited will be restored to his company stock account and other investment account, first out of forfeitures occurring in the year of restoration, second, out of Trust Fund earnings, and third, out of Employer ESOP contributions. For the years ending August 31, 2024 and 2023, there were 666.96 and 439.63 shares of stock and \$ 765.89 and \$ 105.48, respectively, of forfeitures allocated to participants. As of August 31, 2024 and 2023, there were no forfeited balances remaining.

8. Voting Rights

The Company stock held by the ESOP will normally be voted and other stock rights exercised by the Trustees. However, a participant may direct the Trustees as to the manner in which the Company stock held in the participant's Company stock account is to be voted with respect to the approval or disapproval of a corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all of the assets of the Company or such other transactions as prescribed by applicable regulations under the Code (sale of Company stock is not subject to participant voting direction). The Trustees will vote the shares of Company stock which are unallocated or allocated shares of Company stock for which no directions are received. A participant is notified by the Trustees prior to the time that such rights are to be exercised.

9. Termination

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination, all participants employed on the termination date will become fully vested in all of their accounts.

10. Operating Expenses

The administration costs and expenses of the Plan are paid by the Company.

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE A | DESCRIPTION OF THE PLAN

11. Put Option

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

12. Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in employer stock into investments that are more diversified. Participants who are at least age 55 with at least 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 post-1986 shares allocated to his or her account, less any shares previously diversified. The election to diversify is made subsequent to year-end based upon the shares of Employer stock in the participant's account at year-end. In the sixth year, the percentage changes to 50%. Participants who elect to diversify receive a cash distribution. Additionally, a participant with at least ten years of service may elect to receive an advance distribution in an amount equal to 25% of his or her stock account balance, not to exceed \$ 50,000 after September 1, 2023, and \$ 35,000 prior to September 1, 2023. This election may be made only once every ten years.

NOTE B | SUMMARY OF ACCOUNTING POLICIES

1. Basis of Accounting

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

2. Allocations

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

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE B | SUMMARY OF ACCOUNTING POLICIES

3. Investment Valuation and Income Recognition

The Plan's investments consist of the common shares of the Company and are stated at fair value. Fair value is determined by annual independent appraisals. See Note F for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation (depreciation) includes the Plan's gains (losses) on investments bought and sold as well as held during the year.

4. Estimates

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

5. Payment of Benefits

Benefits are recorded when paid.

6. Subsequent Events

Management has evaluated subsequent events for recognition and disclosure in the financial statements through June 13, 2025, which is the date the financial statements were available to be issued. See Note M for subsequent event disclosure.

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE C | TAX STATUS

The Plan obtained its latest determination letter on August 11, 2017, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. Once qualified, the Plan is required to operate in conformity with the Internal Revenue Code to maintain its qualification. Although the Plan has been amended since its last determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. 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 plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE D | ADMINISTRATION OF PLAN ASSETS

The Plan's assets, which consist of principally Sponsor Company common shares, are held by the Trustees of the Plan.

Effective September 1, 2018, the Company appointed an independent Trustee for the Plan.

Company contributions are held and managed by the third-party Trustee, who invests cash received, interest and dividend income, and oversees distributions to participants.

NOTE E | INVESTMENTS

| | 2024 | | 2023 | |
|---------------------------------------|------------------|--------------------|------------------|--------------------|
| Lange Companies, Inc. Common stock | <u>Allocated</u> | <u>Unallocated</u> | <u>Allocated</u> | <u>Unallocated</u> |
| Number of shares | 648,175.79 | 276,897.75 | 644,518.21 | 236,314.22 |
| Cost | \$ 89,017,997 | \$ 33,219,305 | \$ 71,923,492 | \$ 25,430,315 |
| Estimated fair value | \$ 95,541,112 | \$ 40,814,728 | \$ 96,677,735 | \$ 35,447,132 |

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE F | FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets for liabilities in active markets; quoted prices for identical or similar assets in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

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

Interest bearing cash and cash equivalents are valued at cost which approximates fair value.

Sponsor Company common stock is valued based at fair value based up an independent appraisal, described in further detail below.

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE F | FAIR VALUE MEASUREMENTS

The following table presents the Plan’s fair value hierarchy for those assets measured at fair value on a recurring basis as of August 31:

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|---|---------------------|----------------|-----------------------|-----------------------|
| <u>2024</u> | | | | |
| Interest bearing cash and cash equivalent | \$ 1,107,640 | \$ - | \$ - | \$ 1,107,640 |
| Sponsor Company common stock | - | - | 136,355,840 | 136,355,840 |
| | <u>\$ 1,107,640</u> | <u>\$ -</u> | <u>\$ 136,355,840</u> | <u>\$ 137,463,480</u> |
| <u>2023</u> | | | | |
| Interest bearing cash and cash equivalent | \$ 258,580 | \$ - | \$ - | \$ 258,580 |
| Sponsor Company common stock | - | - | 132,124,867 | 132,124,867 |
| | <u>\$ 258,580</u> | <u>\$ -</u> | <u>\$ 132,124,867</u> | <u>\$ 132,383,447</u> |

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE F | FAIR VALUE MEASUREMENTS

The following table presents a reconciliation of all Level 3 assets measured at fair value on a recurring basis for the years ended August 31:

| | Sponsor Company <u>Common Stock</u> |
|--|--|
| Balance, August 31, 2022 | \$ 145,860,441 |
| Unrealized depreciation | (1,321,246) |
| Contribution of Sponsor Company stock (3,300.3300 shares) | 500,000 |
| Purchase of stock by Sponsor Company (85,243.1161 shares) | <u>(12,914,328)</u> |
| Balance, August 31, 2023 | 132,124,867 |
| Unrealized depreciation | (2,405,193) |
| Contribution of Sponsor Company stock (22,779.0733 shares) | 3,416,861 |
| Acquisition of Sponsor Company stock (61,873.0000 shares) | 9,280,950 |
| Purchase of stock by Sponsor Company (40,410.9613 shares) | <u>(6,061,645)</u> |
| Balance, August 31, 2024 | <u>\$ 136,355,840</u> |
| The amount of total gain for the period included in changes in net assets available for benefits attributable to the change in unrealized gains or losses related to assets still held at the reporting date | <u>\$ (2,405,193)</u> |

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE F | FAIR VALUE MEASUREMENTS

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at August 31, 2024 and 2023. Fair value of the Sponsor Company’s common stock held by the Plan is valued at fair value based upon an independent appraisal. This appraisal was based upon a combination of income and market capitalization approaches consistent with prior year. The Sponsor Company was valued as a going-concern based on business, economic, market and other conditions as they exist and can be evaluated as of the valuation date. Such valuation techniques are consistent with prior years as illustrated in the following table:

| <i>Instrument</i> | <i>Fair Value</i> | <i>Principal Valuation Technique</i> | <i>Unobservable Inputs</i> |
|------------------------------|--|--------------------------------------|---|
| Sponsor Company common stock | 2024 \$ 136,355,840 2023 \$ 132,124,867 | Income | Public comparables Adjusted EBIT Discount rate Terminal multiple Discount for lack of marketability |
| | | Market | Public comparables EBITDA multiple EBIT multiple Discount for lack of marketability |

The valuation process involves the Independent Trustee’s selection of an independent appraiser under contract for a term of one year with the right to cancel that contract at any time. Plan management accumulates the data for the appraiser from the audited financial statements of the Company. The appraiser prepares a preliminary report and Plan management, along with the ESOP trustee, reviews in detail, discusses and approves the valuation.

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

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE G | LONG-TERM DEBT

On August 17, 2016, the ESOP entered into a \$5,800,000 term note from the Company. The proceeds of this note were used to pay off the notes payable to former participants. Unallocated shares of 115,078.37 were used as collateral for this note. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year principal and interest paid divided by the current year payment plus all of future years' principal and interest payments. This resulted in 12,001.49 and 12,263.20 shares being released and allocated for the plan years ended August 31, 2024 and 2023, respectively. The note bears interest at 2.28% and is to be repaid in nine equal annual payments of \$ 644,444 plus interest. Final payment is due August 17, 2025.

On July 31, 2020, the ESOP entered into a \$ 7,413,000 term note from the Company. The proceeds of this note are to be used for benefit payments to participants in the upcoming years. Unallocated shares of 105,000.00 were used as collateral for this note. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year principal and interest paid divided by the current year payment plus all of future years' principal and interest payments. This resulted in 3,880.97 and 3,914.35 shares being released and allocated for the Plan years ended August 31, 2024 and 2023, respectively. The note bears interest at 1.12% and is to be repaid in thirty equal annual payments of \$ 247,100 plus interest. Final payment is due August 31, 2050.

On August 22, 2022, the ESOP entered into a \$ 18,012,500 term note from the Company. The proceeds of this note were used to acquire shares of the Company. The future debt service of the note will be used for benefit payments to participants in the upcoming years. Unallocated shares of 125,000.00 were used as collateral for this note. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year principal and interest paid divided by the current year payment plus all of future years' principal and interest payments. This resulted in 5,407.00 and 5,498.88 shares being released and allocated for the Plan years ended August 31, 2024 and 2023. The note bears interest at 3.35% and is to be repaid in thirty equal annual payments of \$ 600,417 plus interest. Final payment is due August 22, 2052.

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE G | LONG-TERM DEBT

On August 30, 2024, the ESOP entered into a \$9,280,950 term note from the Company. The proceeds of this note were used to acquire shares of the Company. The future debt service of the note will be used for benefit payments to participants in the upcoming years. Unallocated shares of 61,873.00 were used as collateral for this note. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year principal and interest paid divided by the current year payment plus all of future years' principal and interest payments. There were no shares released and allocated for the plan year ended August 31, 2024. The note bears interest at 4.52% and is to be repaid in ten equal annual payments of \$ 928,095 plus interest. Final payment is due August 31, 2034.

Maturities of the notes payable for the five years following August 31, 2024, are as follows:

| | | |
|------|----|-----------|
| 2025 | \$ | 2,420,056 |
| 2026 | | 1,775,612 |
| 2027 | | 1,775,612 |
| 2028 | | 1,775,612 |
| 2029 | | 1,775,612 |

NOTE H | COMPANY ADVANCES

In previous years, the Company has advanced cash to, and made payments on behalf of, the Plan in order to meet the Plan's distribution obligation. The advances are interest free and no collateral was taken. Plan management believes the advances comply with the requirements of the Department of Labor Prohibited Transaction Class Exemption 80-26. As of August 31, 2024 and 2023, the Plan owed the Company \$ 57,643 related to company advances. No such advances were made during the Plan years ended August 31, 2024 and 2023.

NOTE I | RISKS AND UNCERTAINTIES

The Plan investments consist primarily of the Company's common stock, which is exposed to various risks such as interest rate, market, and credit risks, as well as valuation assumptions based on earnings, cash flows and/or other techniques. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of the common stock will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Lange Companies, Inc. Employee Stock Ownership Plan
NOTES TO FINANCIAL STATEMENTS
August 31, 2024 and 2023

NOTE J | RELATED PARTY AND PARTY IN INTEREST TRANSACTIONS

The Plan invests in Company common stock and has indebtedness guaranteed by Company common stock. These are related party and party in interest transactions. As described in Note A, the Company pays all Plan expenses. The Plan has a number of service providers. Such providers are parties in interest under ERISA.

NOTE K | PLAN TERMINATION

The Company reserves the right to terminate the Plan at any time, subject to Plan Provisions. Upon termination of the Plan, the Employee Benefits Administration Committee directs the Trustee to pay all liabilities and expenses of the ESOP and to sell shares of common stock held as collateral to the extent it determines such a sale to be necessary in order to repay the loan. Subsequently, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC.

NOTE L | CORRECTIVE DISTRIBUTIONS AND CONTRIBUTION REALLOCATION

The Sponsor Company also sponsors a 401(k) Retirement Plan covering the same employees. As a result of having two plans, the Sponsor Company is required to perform combined compliance testing to ensure no participants exceed the maximum annual additions of Internal Revenue Code Section 415 for both years ended August 31, 2024 and 2023. Certain participants exceeded such limits for the Plan years ended August 31, 2024 and 2023. As a result, approximately \$ 911,000 and \$ 148,000 in participant deferrals are required to be returned in 2024 and 2023, respectively, from the 401(k) plan.

NOTE M | SUBSEQUENT EVENTS

Effective September 1, 2024, several changes were made affecting the plan. The Company has designated this Plan to consist of two portions, a profit sharing portion and an ESOP portion. Additionally, another related Company, Lange Fresh Sales, adopted the Plan.

Supplemental Schedule

Lange Companies, Inc. Employee Stock Ownership Plan
EIN 43-0961120
Plan Number 002
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
August 31, 2024

| (a) | (b) | (c) | (d) | (e) |
|-----|--|---|-----------------------|-----------------------|
| | Identity of issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par or maturity value | Cost | Current Value |
| * | Lange Companies, Inc. | Common stock, 925,074 shares | \$ 122,237,302 | \$ 136,355,840 |
| | Goldman Sachs Financial | Goldman Sachs Financial Square Fund, 1,107,640 shares | 1,107,640 | 1,107,640 |
| | | | <u>\$ 123,344,942</u> | <u>\$ 137,463,480</u> |
| * | Party-in-interest | | | |

