

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

2022

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2022 or fiscal plan year beginning 07/01/2022 and ending 06/30/2023

- A** This return/report is for:
 - a multiemployer plan
 - a single-employer plan
 - a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
 - 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>U.S. POLE COMPANY, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	1b Three-digit plan number (PN) ▶ <u>003</u>
	1c Effective date of plan <u>07/01/2011</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>U.S. POLE COMPANY, INC.</u> <u>660 WEST AVENUE O</u> <u>PALMDALE, CA 93551</u>	2b Employer Identification Number (EIN) <u>95-3939062</u>
	2c Plan Sponsor's telephone number <u>661-233-2000</u>
	2d Business code (see instructions) <u>812990</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	<u>Filed with authorized/valid electronic signature.</u>	<u>08/04/2025</u>	<u>DAVID BASS</u>
	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

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

Form 5500 (2022)
v. 220413

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	5 214
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 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) 115 6a(2) 107 6b 22 6c 68 6d 197 6e 1 6f 198 6g 197 6h 6
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) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (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) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> 0 A (Insurance Information) (4) <input checked="" type="checkbox"/> C (Service Provider 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 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 07/01/2022 and ending 06/30/2023

A Name of plan <u>U.S. POLE COMPANY, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>U.S. POLE COMPANY, INC.</u>	D Employer Identification Number (EIN) <u>95-3939062</u>	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

a Name:	FARBER HASS HURLEY LLP	b EIN:	20-4207759
c Position:	ACCOUNTANT FIRM		
d Address:	9301 OAKDALE AVENUE. SUITE 230 CHATSWORTH, CA 91311	e Telephone:	818-895-1943

Explanation: FOR CONSOLIDATE ESOP AND FINANCIAL AUDIT ENGAGEMENTS UNDER BAKER TILLY.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE 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.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning **07/01/2022** and ending **06/30/2023**

A Name of plan U.S. POLE COMPANY, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN)	003
C Plan sponsor's name as shown on line 2a of Form 5500 U.S. POLE COMPANY, INC.	D Employer Identification Number (EIN) 95-3939062	

Part I Asset and Liability Statement

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

Assets	(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions.....	1b(1)	911041
(2) Participant contributions.....	1b(2)	907444
(3) Other.....	1b(3)	
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	32298
(2) U.S. Government securities.....	1c(2)	13947
(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)	5562050	936906
(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	6505389	1858297
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i	10800639	10135130
j Other liabilities.....	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	10800639	10135130
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	-4295250	-8276833

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)	1033845	
(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)		1033845
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	251	
(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)		251
(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)	-4625143	
(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		-3591047
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	148572	
(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)		148572
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		241934
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	30	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		30
j Total expenses. Add all expense amounts in column (b) and enter total	2j		390536
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-3981583
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: **BAKER TILLY**

(2) EIN: **30-1413443**

d The opinion of an independent qualified public accountant is **not attached** because:

- (1) This form is filed for a CCT, PSA, 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.

During the plan year:

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.)

	Yes	No	Amount
4a		X	

		Yes	No	Amount
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.).....	4b		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.)	4c		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.).....	4d		X	
e Was this plan covered by a fidelity bond?.....	4e	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		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?	4g		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?.....	4h		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.).....	4i	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.).....	4j	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?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		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.	4n			

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> 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 07/01/2022 and ending 06/30/2023

A Name of plan <u>U.S. POLE COMPANY, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>U.S. POLE COMPANY, INC.</u>	D Employer Identification Number (EIN) <u>95-3939062</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	0
---	---

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
EIN(s): 58-1428634

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) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
 0-3 years 3-6 years 6-9 years 9-12 years 12-15 years 15-18 years 18-21 years 21 years or more

c What duration measure was used to calculate line 19(b)?
 Effective duration Macaulay duration Modified duration Other (specify): _____

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 _____

Report of Independent Auditors
and Financial Statements
with Supplemental Schedule

**U.S. Pole Company, Inc.
Employee Stock Ownership Plan**

June 30, 2023 and 2022



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Report of Independent Auditors

The Trustee of
U.S. Pole Company, Inc. Employee Stock Ownership Plan

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of U.S. Pole Company, 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 June 30, 2023, and the related statement of changes in net assets available for benefits for the year ended June 30, 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 U.S. Pole Company, Inc. Employee Stock Ownership Plan as of June 30, 2023, and the changes in its net assets available for benefits for the year ended June 30, 2023, in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of U.S. Pole Company, 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 GAAP, 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 U.S. Pole Company, Inc. Employee Stock Ownership Plan's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

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

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of U.S. Pole Company, 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 U.S. Pole Company, Inc. Employee Stock Ownership Plan's 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 audit was 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) as of June 30, 2023, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information 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 its form and content, is presented in conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the 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 is presented in conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA.

Auditor’s Report on the Financial Statements as of and for the year ended June 30, 2022

The financial statements as of and for the year ended June 30, 2022, of U.S. Pole Company, Inc. Employee Stock Ownership Plan were audited by predecessor auditors whose report dated April 13, 2023, expressed an unmodified opinion on those financial statements and included a paragraph that provided an opinion that the information in the supplemental schedule as of June 30, 2022, was fairly stated in all material respects in relation to the financial statements as a whole.

Baker Tilly US, LLP

Seattle, Washington
August 1, 2025

Financial Statements

U.S. Pole Company, Inc. Employee Stock Ownership Plan
Statements of Net Assets (Deficit) Available for Benefits
June 30, 2023 and 2022

ASSETS	June 30, 2023			June 30, 2022		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
Investment in Company common stock at fair value	\$ 420,951	\$ 515,955	\$ 936,906	\$ 2,499,184	\$ 3,062,866	\$ 5,562,050
Interest bearing cash	13,947	-	13,947	32,298	-	32,298
Total investments	434,898	515,955	950,853	2,531,482	3,062,866	5,594,348
Receivables						
Employer contributions	665,510	241,934	907,444	654,448	256,593	911,041
Total assets	1,100,408	757,889	1,858,297	3,185,930	3,319,459	6,505,389
LIABILITIES						
Inside loan payable	-	(10,135,130)	(10,135,130)	-	(10,800,639)	(10,800,639)
NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS	<u>\$ 1,100,408</u>	<u>\$ (9,377,241)</u>	<u>\$ (8,276,833)</u>	<u>\$ 3,185,930</u>	<u>\$ (7,481,180)</u>	<u>\$ (4,295,250)</u>

See accompanying notes.

U.S. Pole Company, Inc. Employee Stock Ownership Plan
Statement of Changes in Net Assets (Deficit) Available for Benefits
Year Ended June 30, 2023

	Allocated	Unallocated	Total
CHANGES FROM NET ASSETS ATTRIBUTABLE TO			
Company contribution	\$ 126,402	\$ 907,443	\$ 1,033,845
Unrealized loss	(2,078,232)	(2,546,911)	(4,625,143)
Interest	251	-	251
	(1,951,579)	(1,639,468)	(3,591,047)
DEDUCTIONS FROM NET ASSETS ATTRIBUTABLE TO			
Interest expense	-	241,934	241,934
Distributions	148,572	-	148,572
Administrative expense	30	-	30
	148,602	241,934	390,536
Net change	(2,100,181)	(1,881,402)	(3,981,583)
Transfer for debt service	14,659	(14,659)	-
NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS			
Beginning of year	3,185,930	(7,481,180)	(4,295,250)
End of year	\$ 1,100,408	\$ (9,377,241)	\$ (8,276,833)

See accompanying notes.

U.S. Pole Company, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

Note 1 – Description of Plan

The following brief description of the U.S. Pole Company, Inc. (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for complete information.

History and general – U.S. Pole Company, Inc. (the Company), established the Plan effective July 1, 2011. The Plan operates as a leveraged employee stock ownership plan (ESOP) and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code (IRC) of 1986, as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by the Company with appropriate officers of the Company authorized and directed by the board of directors of the Company to work with counsel to accomplish the purposes of the Company in administering the Plan. Prudent Fiduciary Services serves as an independent third-party trustee of the Plan (the Trustee).

On June 30, 2016, the ESOP acquired all 215,000 shares of U.S. Pole Company, Inc. common stock for a total purchase price of \$18,428,331, inclusive of a cash adjustment for excess working capital as stipulated in the ESOP Purchase Agreement. The adjusted purchase price per share of \$85.71 was based upon an independent appraisal of the Company. On June 30, 2016, the Plan paid \$3,500,000 in cash to the sellers of the Company stock and the adjustment for excess working capital of \$428,331 was primarily paid by the Plan during the year ended June 30, 2017. The remaining purchase price of \$14,500,000 was funded in the form of secured nonrecourse promissory notes to the sellers. The shares purchased by the Plan in the form of cash, including the adjustment for excess working capital, are non-leveraged shares. As the Plan makes debt payments, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with the applicable regulations under the IRC (see Note 7).

The borrowing is collateralized by the unallocated shares of Company stock. As the Plan makes each payment of principal and interest, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the IRC. The Company has no rights against shares once they are allocated under the ESOP. Accordingly, the financial statements of the Plan present separately the assets and liabilities therein pertaining to:

- a. The accounts of employees with rights in allocated stock (Allocated) and
- b. Stock not yet allocated to employees (Unallocated).

Eligibility – Employees of the Company are eligible to participate in the Plan following the completion of at least one year of service in which they work 1,000 hours. Participants are eligible if they are at least 21 year of age and must have at least 1,000 hours of service and be employed on the last day of the Plan year to receive Company stock allocations or contributions for that year, unless the Participant did not meet these requirements due to normal retirement, death, or disability during the Plan year.

Company contributions – The Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, if any, equal the amount necessary to enable the Plan to make the regularly scheduled payments of principal and interest due on its note payable. The Company may also make contributions to fund benefit payments to terminated or retired participants. Employee contributions are not permitted. The Company approved contributions of \$1,033,845 and \$981,041 for the Plan years ended June 30, 2023 and 2022, respectively.

U.S. Pole Company, Inc. Employee Stock Ownership Plan Notes to Financial Statements

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’ non-vested accounts, if any. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. Allocations of contributions are made pro rata, based on the total covered compensation of all eligible participants. Plan earnings are allocated to each participant’s account based on the ratio of the participant’s balance as of the preceding valuation date to all participants’ balances.

Vesting – Participant accounts vest according to the following schedule:

<u>Credited Years of Service</u>	<u>Percentage Vested</u>
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

A participant’s account shall fully vest upon retirement, death or disability.

Forfeitures – Nonvested portions of terminated participants’ accounts shall be forfeited after the participant incurs a five-year break in service. The forfeitures shall be allocated to eligible participants as of the allocation date of the Plan year in which the forfeitures occur. During the year ended June 30, 2023, cash forfeitures of \$3,106 and 645 forfeited shares were allocated to eligible participant accounts.

Payment of benefits – Distributions shall be made in accordance with the Plan’s distribution policy when a participant retires, becomes disabled, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company. In general, a participant’s account will be distributed in cash through liquidation of shares at a price representative of the fair market value of the stock. In the event Company stock is distributed, it will be subject to repurchase by the Company within a time frame defined by the Plan. If a participant’s account balance is less than \$5,000, distributions shall be made as soon as administratively feasible after the end of the plan year in which the participant has a severance from the Company. For participants with vested account balances over \$5,000, distributions to terminated participants prior to a participant’s normal retirement age will generally be paid in five equal annual payments no later than the end of the plan year following the sixth year after the participant separates from service. Upon death, permanent disability or after attaining retirement age, distributions commence no later than one year after the close of the plan year in which the participant has a severance from the Company.

U.S. Pole Company, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

Diversification – Diversification is offered to participants close to retirement so they may have the opportunity to move part of the value of their investment in the Company stock into investments that are more diversified. Participants who are at least age 55 and have 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 shares in their account less all amounts previously diversified. In the sixth year, the percentage increases to 50%. Diversification eligibility began during plan year ending June 30, 2022. During the year ended June 30, 2023, these transactions are included in distributions on the statement of changes in net assets available for benefits.

Voting rights – In limited circumstances, each participant or beneficiary in the Plan is entitled to exercise voting rights attributable to the shares allocated to his or her account. Each participant instructs the Plan trustee as to how to vote the allocated shares. The trustee shall vote any unallocated shares of Employer stock and any allocated shares for which instructions are neither received from participants nor required from participants due to the matters being voted.

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

Plan termination – Although the Company has expressed no intent to do so, it reserves the right to terminate the Plan at any time, subject to the Plan provisions. Upon complete or partial termination of the Plan, the entire interest of each of the affected participants shall become 100% vested and be distributed in accordance with the Plan provisions and the IRC. Upon termination of the Plan, the Company shall direct the Trustee to pay all liabilities and expenses of the trust fund and through approval of the board of directors of the Company to sell shares of stock held in the unallocated account to the extent it determines such sale to be necessary in order to repay the loan.

Note 2 – Summary of Significant Accounting Policies

Basis of accounting – The financial statements of the Plan are prepared using the accrual method of accounting.

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

Investment valuation – Investments are reported at fair value. See Note 6 for discussion of fair value measurements.

U.S. Pole Company, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

Income recognition – The net depreciation in fair value of Company common stock consists of both the realized gains or losses, and unrealized appreciation and depreciation of allocated and unallocated Company stock.

Payment of benefits – Benefits are recorded when paid.

Administrative expenses – The Company pays the administrative expenses of the Plan.

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

Subsequent events – The Plan has evaluated subsequent events through August 1, 2025, which is the date the financial statements were available to be issued.

Reclassification – \$256,593 from the prior year statement of net assets (deficit) available for benefits, has been reclassified from allocated to unallocated in order to conform to the current year presentation. There was no impact to the total net deficit available benefits as of June 30, 2022.

Note 3 – Tax Status

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated December 12, 2014, that the Plan is designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of June 30, 2023 and 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset), or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions generally for three years of previous filed tax forms; however, there are currently no audits for any years.

Note 4 – Administration of Plan Assets

The Plan assets, which consist of Company common stock, are held by the Trustee of the Plan.

Company contributions are held and managed by the Trustee, which invests cash received and makes benefit payments to participants. The Trustee also administers the payment of interest and principal on the loan using the Company contributions to the trust.

U.S. Pole Company, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

Certain Plan administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

Note 5 – Investments

The Plan's investment in Company stock is presented in the following table for the year ended June 30:

	2023		2022	
	Allocated	Unallocated	Allocated	Unallocated
Company common stock				
Number of shares	96,605	118,395	96,605	118,395
Cost	\$ 9,005,363	\$ 9,422,968	\$ 8,280,369	\$ 10,147,962
Fair value per share	\$ 4.36	\$ 4.36	\$ 25.87	\$ 25.87
Fair value	\$ 420,951	\$ 515,955	\$ 2,499,184	\$ 3,062,866

Note 6 – Fair Value Measurements

The Plan has adopted authoritative guidance on fair value measurements. The guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date.

The Plan classified its investments based upon an established 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 are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 – Quoted prices in markets that are not considered to be active or financial instruments without quoted market prices, but for which all significant inputs are observable, either directly or indirectly;

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

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

U.S. Pole Company, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

The following table discloses by level the fair value hierarchy as of June 30:

	Fair Value Measurement at June 30, 2023			
	Level 1	Level 2	Level 3	Total
Company Common Stock	\$ -	\$ -	\$ 936,906	\$ 936,906
Investments at fair value	\$ -	\$ -	\$ 936,906	\$ 936,906
	Fair Value Measurement at June 30, 2022			
	Level 1	Level 2	Level 3	Total
Company Common Stock	\$ -	\$ -	\$ 5,562,050	\$ 5,562,050
Investments at fair value	\$ -	\$ -	\$ 5,562,050	\$ 5,562,050

The fair value of the Company common stock held by the Plan is valued at fair value based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques. The appraiser took into account historical and projected cash flow and net income, weighted-average cost of capital, market comparables, and other factors including a discount for lack of marketability. However the total enterprise value based on these methods was exceeded by the Company's total interest-bearing debt, net of cash and cash equivalents. The appraiser then used the Black Scholes Option Pricing Model as a supplemental method to estimate the Company's fair value.

Description	Valuation Techniques	Unobservable Inputs
Company common stock	Discounted cash flow	Net unlevered free cash flow Long-term revenue growth rate Long-term EBITDA Weighted-average cost of capital
	Market comparables	Revenue multiple EBITDA multiple Discount for lack of marketability
	Black Scholes Option Pricing Model	Share price Exercise price Time to maturity Volatility Risk-Free Rate

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.

U.S. Pole Company, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

Note 7 – Note Payable

In connection with the acquisition of all 215,000 shares of the Company's common stock, the Plan issued Initial Seller Notes to the pre-existing shareholders of the Company. Simultaneously, the Initial Seller Notes were assumed by the Company and the ESOP issued a secured nonrecourse promissory note to the Company ("Inside Loan"). Unallocated shares are collateral for the Inside Loan. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year payments divided by the total of current year's payments, plus all future years' principal and interest payments. For the plan year ended June 30, 2023, there were no collateralized shares released and allocated.

The Inside Loan bears interest at an annual rate of 2.24%. Principal and interest payments will be paid in 20 consecutive annual payments beginning on July 1, 2017 through July 1, 2036. The Plan may pre-pay the principal balance in part or in whole without premium or penalty.

The scheduled principal payments for the duration of the note are as follows:

2024	\$ 680,416
2025	695,657
2026	711,240
2027	727,172
2028	743,461
Thereafter	<u>6,577,184</u>
	<u>\$ 10,135,130</u>

Note 8 – Related Party and Party-in-Interest Transactions

The Plan invests in Company common stock and has indebtedness guaranteed by the Company. These are related party and party-in-interest transactions. The Company pays all administrative expenses. The Plan has several services providers. Such providers are parties in interest under ERISA.

Note 9 – 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 other such techniques. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in estimates and assumptions, 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 (deficit) available for benefits.

Supplemental Schedule

U.S. Pole Company, Inc. Employee Stock Ownership Plan
EIN: 95-3939062, Plan Number: 003
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
June 30, 2023

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date and Rate of Interest	(d) Cost	(e) Current Value
*	Wells Fargo Bank	Interest-bearing cash, .04% interest	\$ 13,947	\$ 13,947
	U.S. Pole Company, Inc.	Common stock	<u>18,428,331</u>	<u>936,906</u>
			<u>\$ 18,442,278</u>	<u>\$ 950,853</u>

* Denotes party-in-interest.

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U.S. Pole Company, Inc. Employee Stock Ownership Plan
EIN: 95-3939062, Plan Number: 003
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
June 30, 2023

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date and Rate of Interest	(d) Cost	(e) Current Value
	Wells Fargo Bank	Interest-bearing cash, .04% interest	\$ 13,947	\$ 13,947
*	U.S. Pole Company, Inc.	Common stock	18,428,331	936,906
			<u>\$ 18,442,278</u>	<u>\$ 950,853</u>

* Denotes party-in-interest.
