

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

2024

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

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

Part II Basic Plan Information—enter all requested information

1a Name of plan VIRGINIA SYSTEMS AND TECHNOLOGY, INC. PROFIT SHARING PLAN
1b Three-digit plan number (PN) 003
1c Effective date of plan 10/01/2012
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) VIRGINIA SYSTEMS AND TECHNOLOGY, INC. 6801 KENNEDY ROAD #301 WARRENTON, VA 20187
2b Employer Identification Number (EIN) 54-1954990
2c Plan Sponsor's telephone number 540-359-7554
2d Business code (see instructions) 541700

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

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

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

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

Form 5500 (2024) v. 240311

| | | |
|---|--|-----|
| 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 | 285 |
| 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) | 168 |
| | 6a(2) | 144 |
| | 6b | 6 |
| | 6c | 134 |
| | 6d | 284 |
| | 6e | 0 |
| | 6f | 284 |
| | 6g(1) | 283 |
| 6g(2) | 283 | |
| 6h | 0 | |
| 7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | 7 | |

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2I 3H

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 2024 Form M-1 annual report. If the plan was not required to file the 2024 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 2024 This Form is Open to Public Inspection |
|--|--|---|

| | |
|---|--|
| For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024 | |
| A Name of plan VIRGINIA SYSTEMS AND TECHNOLOGY, INC. PROFIT SHARING PLAN | B Three-digit plan number (PN) ▶ 003 |
| C Plan sponsor's name as shown on line 2a of Form 5500 VIRGINIA SYSTEMS AND TECHNOLOGY, INC. | D Employer Identification Number (EIN) 54-1954990 |

| | |
|---------------|--------------------------------------|
| 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 | 3 | 3 |
| b Receivables (less allowance for doubtful accounts): | | | |
| (1) Employer contributions | 1b(1) | | |
| (2) Participant contributions | 1b(2) | | |
| (3) Other | 1b(3) | 26879 | 0 |
| c General investments: | | | |
| (1) Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 559501 | 193283 |
| (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) | 135008 | 150638 |
| (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) | 53964575 | 47233697 |
| (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 | 54685966 | 47577621 |
| Liabilities | | | |
| g Benefit claims payable..... | 1g | 0 | 0 |
| h Operating payables..... | 1h | | |
| i Acquisition indebtedness..... | 1i | | |
| j Other liabilities..... | 1j | | |
| k Total liabilities (add all amounts in lines 1g through 1j)..... | 1k | 0 | 0 |
| Net Assets | | | |
| l Net assets (subtract line 1k from line 1f)..... | 1l | 54685966 | 47577621 |

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) | | |
| (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) | | 0 |
| b Earnings on investments: | | | |
| (1) Interest: | | | |
| (A) Interest-bearing cash (including money market accounts and certificates of deposit)..... | 2b(1)(A) | 20475 | |
| (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) | | 20475 |
| (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) | 5605 | |
| (D) Total dividends. Add lines 2b(2)(A) , (B) , and (C) | 2b(2)(D) | | 5605 |
| (3) Rents..... | 2b(3) | | |
| (4) Net gain (loss) on sale of assets: | | | |
| (A) Aggregate proceeds..... | 2b(4)(A) | 172793 | |
| (B) Aggregate carrying amount (see instructions)..... | 2b(4)(B) | 0 | |
| (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) | -6245778 | |
| (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) | | 10025 |
| c Other income | 2c | | |
| d Total income. Add all income amounts in column (b) and enter total..... | 2d | | -6036880 |

Expenses

| | | | |
|--|---------------|---------|---------|
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers..... | 2e(1) | 1071405 | |
| (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) | | 1071405 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions)..... | 2g | | |
| h Interest expense..... | 2h | | |
| i Administrative expenses: | | | |
| (1) Salaries and allowances | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Recordkeeping fees | 2i(3) | 60 | |
| (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) | | 60 |
| j Total expenses. Add all expense amounts in column (b) and enter total..... | 2j | | 1071465 |

Net Income and Reconciliation

| | | | |
|---|--------------|--|----------|
| k Net income (loss). Subtract line 2j from line 2d | 2k | | -7108345 |
| 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: **BEHRENS & BANKS, P.C.**

(2) EIN: **54-1556200**

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

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

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

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

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

| | | |
|--|---|--|
| SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small> | Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500. | OMB No. 1210-0110 2024 This Form is Open to Public Inspection. |
|--|---|--|

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

| | | |
|---|--|------------|
| A Name of plan <u>VIRGINIA SYSTEMS AND TECHNOLOGY, INC. PROFIT SHARING 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>VIRGINIA SYSTEMS AND TECHNOLOGY, INC.</u> | D Employer Identification Number (EIN) <u>54-1954990</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) 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 _____.

**Virginia Systems and Technology, Inc.
Profit Sharing Plan**

Warrenton, VA

Audit Report

For the Years Ended

December 31, 2024 and 2023

**Virginia Systems and Technology, Inc. Profit Sharing Plan
Index
December 31, 2024 and December 31, 2023**

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Independent Auditor's Report

To the Administrative Committee of
Virginia Systems and Technology, Inc. Profit Sharing Plan

Opinion

We have audited the accompanying financial statements of Virginia Systems and Technology, Inc. Profit Sharing 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 December 31, 2024 and December 31, 2023, and the related statement of changes in net assets available for benefits for the three months ended December 31, 2024, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Virginia Systems and Technology, Inc. Profit Sharing Plan as of December 31, 2024 and December 31, 2023, and the changes in its net assets available for benefits for the three months ended December 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Virginia Systems and Technology, Inc. Profit Sharing 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 controls 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 Virginia Systems and Technology, Inc. Profit Sharing Plan's ability to continue as a going concern for one year after the date of 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 Virginia Systems and Technology, Inc. Profit Sharing 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 Virginia Systems and Technology, Inc. Profit Sharing 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.

Behrens & Banks

Behrens & Banks, P.C.
Ashburn, VA
September 15, 2025

Virginia Systems and Technology, Inc. Profit Sharing Plan
Statements of Net Assets Available for Benefits
December 31, 2024 and December 31, 2023

| | 12/31/2024 | 12/31/2023 |
|-----------------------------------|---------------|---------------|
| Assets | | |
| Cash | \$ 193,286 | \$ 559,504 |
| Receivable | 0 | 26,879 |
| Mutual Funds | 150,638 | 135,008 |
| Altamira Units | 47,233,697 | 53,964,575 |
| Total Assets | 47,577,621 | 54,685,966 |
| Liabilities | 0 | 0 |
| Net Assets Available for Benefits | \$ 47,577,621 | \$ 54,685,966 |

See Accompanying Notes.

**Virginia Systems and Technology, Inc. Profit Sharing Plan
Statement of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2024 and 2023**

| | <u>12/31/2024</u> | <u>12/31/2023</u> |
|--|--------------------------|----------------------|
| Additions to Net Assets Attributed to: | | |
| Escrow Proceeds | \$ 172,793 | \$ 0 |
| Interest | 20,475 | 9,554 |
| Dividends | 5,605 | 0 |
| Capital Gain/<Loss> | 2,353 | 0 |
| Unrealized Gain/<Loss> - Freedom Funds | 7,672 | 9,318 |
| Unrealized Gain/<Loss> - Altamira | <u><6,245,778></u> | <u>1,969,510</u> |
| Total Additions | <6,036,880> | 1,988,382 |
| Deductions from Net Assets Attributed to: | | |
| Benefits Paid | 1,071,405 | 298,425 |
| Administrative Fees | <u>60</u> | <u>0</u> |
| Total Deductions | <u>1,071,465</u> | <u>298,425</u> |
| Net <Decrease> Increase | <7,108,345> | 1,988,382 |
| Net Assets Available for Benefits | | |
| Assets Available at Beginning of Plan Year | <u>54,685,966</u> | <u>52,697,584</u> |
| Assets Available at End of Plan Year | <u>\$ 47,577,621</u> | <u>\$ 54,685,966</u> |

See accompanying notes.

Virginia Systems and Technology, Inc. Profit Sharing Plan
Notes to Financial Statements

NOTE A – PLAN DESCRIPTION

The following brief description of the Virginia Systems and Technology, Inc. Profit Sharing Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for complete information.

VaST, Inc. (Company) established the Virginia Systems and Technology, Inc. Employee Stock Ownership Plan (Plan) effective as of October 1, 2012. The Plan was amended and operates, in relevant part, 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 of 1986, as amended (IRC) 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 Committee as appointed by the Sponsor Company's Board of Directors. GreatBanc Trust Company is the current Plan's trustee.

On August 28, 2013, the Company restated its Articles of Incorporation to authorized 1,500,000 shares, comprised of 1,480,000 shares of Class A voting common stock and 20,000 shares of Class B non-voting common stock. Pursuant to the restatement, the Company accomplished a share exchange of 10 shares of voting stock for every share of common stock. Following the share exchange, the Company has 850,470 shares of voting common stock.

On September 25, 2013 the Company adopted an Employee Stock Ownership Plan (ESOP) for all full time employees, wherein the ESOP purchased 80% of the outstanding shares for \$17,792,934. The consideration included cash of \$4,705,762 and seller notes of \$13,087,172. The remaining 20% of the stock not purchased by the ESOP was exchanged for 451,884 warrants and 1,700 shares of Class B non-voting stock in a reorganization qualifying under IRS Code §368(a)(1)(E). Prior to the ESOP transaction, the Company redeemed outstanding stock options for \$4,091,944, and thus terminated its Incentive Stock Ownership Plan.

The acquisition indebtedness (ESOP loan) of \$17,806,584 has a 20-year term and bears an interest rate of 3.5% and requires annual payments of principal and interest. The ESOP loan is secured by the acquired shares, subject to release as the ESOP loan is repaid. During the year, there were no principal and interest payments made.

The shares purchased by the ESOP with proceeds of the loan are held in an unallocated suspense account as collateral for the loan. Accordingly, the loan is classified as a contra-equity, Unearned ESOP Shares, in the balance sheets. The remaining loan repayments are expected to be made from future Company contributions to the ESOP.

On February 28, 2023, Altamira Parent Holdings, LLC acquired the 579,215.80 allocated shares of the Virginia Systems & Technology, Inc. stock for \$47,153,958.28 at a value of \$81.41 a share in a non-cash transaction. The VaST shares were converted to 39,390,201 units of Altamira Parent Holdings, LLC. The inside loan to VaST along with the 101,160.20 shares were cancelled in the transaction. VaST paid a dividend to the Plan of \$645,513. Effective March 1, 2023, the ESOP plan was converted into a defined contribution profit sharing plan.

Virginia Systems and Technology, Inc. Profit Sharing Plan
Notes to Financial Statements

NOTE A – PLAN DESCRIPTION (Continued)

Eligibility

Employees of the Company are generally eligible to participate in the Plan on the first day he completes One Hour of Service for the Employer provided he is a Covered Employee on his Date of Hire. A Covered Employee is a common-law employee except (i) an employee employed in a unit of employees subject to a collective bargaining agreement, (ii) an employee who is a nonresident alien, or (iii) an independent contractor or leased employee.

Contributions

Each plan year the Employer may contribute to the Trust an amount, determined by its board in its sole direction; provided the aggregate Company Contributions made in cash shall be in such amounts and at such times, as may be required to provide the Trust with funds sufficient to pay when due any principal and interest required by the Loan, except to the extent such payments have been satisfied by the Trust from Cash Dividends paid to it with respect to Company Stock which has not be allocated to an account.

Payment of Benefits

Generally, distributions on account of death, disability, or retirement are made at the committee's direction no later than the 60th day after the end of the plan year in which the latest of the following events occur: 1) the Participant reaches Normal Age Retirement, 2) the 10th anniversary of the date the Participant commenced participation in the Plan, 3) the termination of the Participant's employment with all Affiliates, or 4) the date the Participant's Account balance is determined.

The General Distribution Rule provides that a Participant's vested and non-forfeitable Account will be payable (i) in a lump sum if his Vested Account does not exceed \$20,000 on the date payment is to be made or (ii) in a series of five annual installments if his Vested Account exceeds \$20,000. During 2023 the Company made benefit distributions of zero in cash to participants.

Voting Rights

Each Participant or Beneficiary is entitled to direct the Trustee as to the manner in which voting rights of the shares of Company Stock which are allocated to the Company Stock Account of such Participant or Beneficiary are to be exercised with respect to any corporate matter which involves the voting of such Company Stock with respect to the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all assets of a trade or business or such similar transactions as the Secretary of the Treasury may prescribe in regulations. The Committee will direct the trust with respect to the voting of Company Stock in all other matters.

Virginia Systems and Technology, Inc. Profit Sharing Plan
Notes to Financial Statements

NOTE A – PLAN DESCRIPTION (Continued)

Plan Termination

The Company reserves the right to terminate the Plan with respect to all Employers at any time in its sole discretion. In addition, the Plan will terminate with respect to an individual Employer (i) by resolution of the Employer's board of directors, provided that 30 days' advance written notice is given to the Committee and the Company; (ii) upon the dissolution, merger, consolidation, or reorganization of the Employer or the sale by the Employer of all or substantially all of its assets; (iii) upon the Employer's complete discontinuance of contributions; or (iv) upon the termination of its status as an Affiliate. A partial termination of the Plan may occur with respect to a group of Participants on any date specified by the Company or required by law.

Participant Accounts

The Committee will create and maintain a bookkeeping Account in the name of each Participant to reflect the credits and debits to be made to such Participant. 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 (September 30) 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. Allocations will be made to each Eligible Participant's Account in the proportion that the Eligible Participant's Total Compensation for that Plan Year bears to the Total Compensation of all Eligible Participants for that Plan Year.

Vesting

If a participant's employment with the Company ends for any reason other than normal retirement, disability while employed, or death while employed, he or she will vest in the balances in his or her account based on total years of service with the Company. Participants vest 25% per year of service and are 100% vested after four or more years of service.

Put Option

All shares of Company Stock acquired by the Plan will be subject to a "put" option at the time of distribution, provided that at such time (i) the Company is not an S Corporation; and (ii) the shares are not publicly traded within the meaning of Treasury Regulation Section 54.4975-7(b)(1)(iv) or subject to a trading restriction within the meaning of Treasury Regulation Section 54.4975-7(b)(10); or (iii) the Company's charter or by-laws do not restrict the ownership of substantially all outstanding employer securities to employees or a Code Section 401(a) trust as provided under Code Section 409(h)(2). At year end, the Company was an S Corporation.

Virginia Systems and Technology, Inc. Profit Sharing Plan
Notes to Financial Statements

NOTE A – PLAN DESCRIPTION (Continued)

Forfeitures

Employer contributions and Plan forfeitures are allocated to each participant's account based upon the relation of the participant's compensation to total compensation for the Plan year. Forfeitures from terminated non-vested account balances allocated to remaining participants at December 30, 2022 totaled \$358,862. There were no forfeitures during the current year.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Allocations

The financial statements of the Plan present separately the assets and the 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.

Use of Estimates

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

Investment Valuation and Income Recognition

The shares of Company common stock are valued at fair value. See note C for discussion of fair value measurements.

Dividend income is accrued on the ex-dividend date.

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 appreciated includes the plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefits are recorded when paid.

Virginia Systems and Technology, Inc. Profit Sharing Plan
Notes to Financial Statements

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating expenses

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

Date of Management's Review of Subsequent Events

Subsequent events were evaluated through September 15, 2025, which is the date the financial statements were available to be issued.

NOTE C – FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to measure the fair value of certain financial instruments could result in a different fair value at the reporting date.

The fair value measurements accounting literature established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

Virginia Systems and Technology, Inc. Profit Sharing Plan
Notes to Financial Statements

NOTE C – FAIR VALUE MEASUREMENTS (Continued)

The following tables set forth, by level within the fair value hierarchy, the Plan’s investments at fair value as of December 31, 2024 and December 31, 2023:

| | Fair Value | Fair Value Measurements at the End of the Reporting Period Using | |
|----------------------------|-------------------|---|--|
| | | Quoted Prices In Active Markets for Identical Assets (Level 1) | Other Observable Inputs (Level 2) |
| <u>December 31, 2024</u> | | | |
| Cash | \$ 193,286 | \$ 193,286 | \$ 0 |
| Due from Employee | 0 | 0 | 0 |
| Mutual Funds | <u>150,638</u> | <u>150,638</u> | <u>0</u> |
| Total Assets at Fair Value | <u>\$ 343,924</u> | <u>\$ 343,924</u> | <u>\$ 0</u> |
| <u>December 31, 2023</u> | | | |
| Cash | \$ 559,504 | \$ 559,504 | \$ 0 |
| Due from Employee | 26,879 | 0 | 26,879 |
| Mutual Funds | <u>135,008</u> | <u>135,008</u> | <u>0</u> |
| Total Assets at Fair Value | <u>\$ 721,391</u> | <u>\$ 694,512</u> | <u>\$ 26,879</u> |

Gains and losses included in changes in net assets available for benefits for the three months ended December 31, 2024, is reported in net appreciation in fair value of investments.

The Plan’s policy is to recognize transfers between Levels 1 and 2 and into and out of Level as of the date of the event or change in circumstances that caused the transfer. For the year ended December 31, 2023, there were no significant transfers between Level 1 and 2 and no transfers into or out of Level 3.

**Virginia Systems and Technology, Inc. Profit Sharing Plan
Notes to Financial Statements**

NOTE C – FAIR VALUE MEASUREMENTS (Continued)

Level 3 Fair Value Measurements

The fair value of the Altamira units and the Company common stock is based on by an annual independent appraisal. The appraisal was based on a combination of the market and income valuation approaches consistent with prior years. The appraiser took into account historical and projected cash flow and net earnings, weighted average cost of capital, market comparable, and applicable discounts and premiums.

The following tables present fair value measurement information for the Plan’s investment in Altamira units and Company common stock. The carrying values of mutual funds, cash, and accrued interest included in the accompanying statement of net assets available for benefits approximated fair value at December 31, 2024 and December 31, 2023, and are thus not included in the following table.

| | Fair Value | Fair Value Measurements at the End of the Reporting Period Using <u>Significant Unobservable Inputs (Level 3)</u> |
|---------------------------------|----------------------|--|
| <u>December 31, 2024</u> | | |
| Altamira Class A Common Units | <u>\$ 47,233,697</u> | <u>\$ 47,233,697</u> |
| <u>December 31, 2023</u> | | |
| Altamira Class A Common Units | <u>\$ 53,964,575</u> | <u>\$ 53,964,575</u> |

NOTE D – TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated May 16, 2014, that the Plan is qualified and the trust established under the Plan is tax-exempt, under the appropriate sections of the IRC. The Plan was amended during the IRS Determination process and was later resubmitted, and a second Determination letter was issued on August 24, 2016, again informing the Company that the Plan was qualified. The Plan has been amended since receiving the second letter, however 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 IRC. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of the financial statements date.

**Virginia Systems and Technology, Inc. Profit Sharing Plan
Notes to Financial Statements**

NOTE D – TAX STATUS (Continued)

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

NOTE E – ADMINISTRATION OF PLAN ASSETS

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

Company contributions are held and managed by the Trustee. The Trustee also administers the payment of interest and principal on the loan, which is reimbursed to the Trustee through contributions as determined by the Company.

Certain administrative functions are performed by officers or employees of the Company or its subsidiaries. No such officer or employee received compensation from the Plan. Administrative expenses for the Trustee’s fees are paid directly by the company.

NOTE F – INVESTMENTS

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

| | <u>12/31/2024</u> | <u>12/31/2023</u> |
|----------------|----------------------|----------------------|
| Cash | <u>\$ 193,286</u> | <u>\$ 559,504</u> |
| Mutual Funds | <u>\$ 150,638</u> | <u>\$ 135,008</u> |
| Altamira Units | <u>\$ 47,233,697</u> | <u>\$ 53,964,575</u> |

At December 31, 2024 and December 31, 2023, the Plan owns 39,390,201 Altamira Units valued at \$1.37/unit and \$1.32/unit, for a total of \$53,964,575 and \$51,995,065, respectively.

Virginia Systems and Technology, Inc. Profit Sharing Plan
Notes to Financial Statements

NOTE G – RISKS AND UNCERTAINTIES

The Plan's investments consist primarily of Altamira Class A common units and the Company's common stock, which is exposed to various risks, including interest rate, market, and credit risks, as well as valuation assumption based on earnings and cash flows. Due to the level of risk associated

NOTE G – RISKS AND UNCERTAINTIES (Continued)

with the investment in the common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possibly 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 statements of net assets available for benefits.

NOTE H – 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. As described in Notes B and E, the Company pays the expenses of the Plan. The Plan has a number of service providers. Such parties are parties-in-interest under ERISA.

NOTE I – COMPANY DIVIDENDS

The Company paid no dividends during the year.

