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| 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 <div style="font-size: 24pt; font-weight: bold; text-align: center;">2024</div> This Form is Open to Public Inspection |
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| | |
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| Part I | Annual Report Identification Information |
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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.)
 a single-employer plan a DFE (specify) _____

B This return/report is: the first return/report the final return/report
 an amended return/report a short plan year return/report (less than 12 months)

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

D Check box if filing under: Form 5558 automatic extension the DFVC program
 special extension (enter description)

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

| | |
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| Part II | Basic Plan Information—enter all requested information |
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|---|---|
| 1a Name of plan <u>KENTWOOD OFFICE FURNITURE EMPLOYEE STOCK OWNERSHIP TRUST</u> | 1b Three-digit plan number (PN) ▶ <u>002</u> |
| 2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>KENTWOOD OFFICE FURNITURE, INC.</u> <u>3063 BRETON RD SE</u> <u>GRAND RAPIDS, MI 49512-1747</u> | 1c Effective date of plan <u>01/01/2012</u> 2b Employer Identification Number (EIN) <u>38-3598290</u> 2c Plan Sponsor's telephone number <u>616-957-2320</u> 2d Business code (see instructions) <u>337000</u> |

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

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

| | | | |
|------------------|---|------------|--|
| SIGN HERE | Filed with authorized/valid electronic signature. | 09/25/2025 | DONALD BOERSMA |
| | Signature of plan administrator | Date | Enter name of individual signing as plan administrator |
| SIGN HERE | | | |
| | Signature of employer/plan sponsor | Date | Enter name of individual signing as employer or plan sponsor |
| SIGN HERE | | | |
| | Signature of DFE | Date | Enter name of individual signing as DFE |

| | | |
|---|--|-----|
| 3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor | 3b Administrator's EIN | |
| | 3c Administrator's telephone number | |
| 4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name | 4b EIN | |
| | 4d PN | |
| 5 Total number of participants at the beginning of the plan year | 5 | 153 |
| 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) | 81 |
| | 6a(2) | 74 |
| | 6b | 41 |
| | 6c | 101 |
| | 6d | 216 |
| | 6e | 5 |
| | 6f | 221 |
| | 6g(1) | 146 |
| 6g(2) | 135 | |
| 6h | 3 | |
| 7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | 7 | |

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

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

| | |
|---|---|
| 9a Plan funding arrangement (check all that apply) | 9b Plan benefit arrangement (check all that apply) |
| (1) <input type="checkbox"/> Insurance | (1) <input type="checkbox"/> Insurance |
| (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts | (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts |
| (3) <input checked="" type="checkbox"/> Trust | (3) <input checked="" type="checkbox"/> Trust |
| (4) <input type="checkbox"/> General assets of the sponsor | (4) <input type="checkbox"/> General assets of the sponsor |

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

| | |
|--|---|
| a Pension Schedules | b General Schedules |
| (1) <input checked="" type="checkbox"/> R (Retirement Plan Information) | (1) <input checked="" type="checkbox"/> H (Financial Information) |
| (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary | (2) <input type="checkbox"/> I (Financial Information – Small Plan) |
| (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | (3) <input type="checkbox"/> A (Insurance Information) – Number Attached _____ |
| (4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____ | (4) <input type="checkbox"/> C (Service Provider Information) |
| (5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information) | (5) <input type="checkbox"/> D (DFE/Participating Plan Information) |
| | (6) <input type="checkbox"/> G (Financial Transaction Schedules) |

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

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

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

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

11c Enter the Receipt Confirmation Code for the 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)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

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 KENTWOOD OFFICE FURNITURE EMPLOYEE STOCK OWNERSHIP TRUST | | B Three-digit plan number (PN) ▶ | 002 |
| C Plan sponsor's name as shown on line 2a of Form 5500 KENTWOOD OFFICE FURNITURE, INC. | | D Employer Identification Number (EIN) 38-3598290 | |

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) | |
| (2) Participant contributions | 1b(2) | |
| (3) Other | 1b(3) | |
| c General investments: | | |
| (1) Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 29479 42103 |
| (2) U.S. Government securities | 1c(2) | |
| (3) Corporate debt instruments (other than employer securities): | | |
| (A) Preferred | 1c(3)(A) | |
| (B) All other | 1c(3)(B) | |
| (4) Corporate stocks (other than employer securities): | | |
| (A) Preferred | 1c(4)(A) | |
| (B) Common | 1c(4)(B) | |
| (5) Partnership/joint venture interests | 1c(5) | |
| (6) Real estate (other than employer real property) | 1c(6) | |
| (7) Loans (other than to participants) | 1c(7) | |
| (8) Participant loans | 1c(8) | |
| (9) Value of interest in common/collective trusts | 1c(9) | |
| (10) Value of interest in pooled separate accounts | 1c(10) | |
| (11) Value of interest in master trust investment accounts | 1c(11) | |
| (12) Value of interest in 103-12 investment entities | 1c(12) | |
| (13) Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | |
| (14) Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | |
| (15) Other | 1c(15) | |

| 1d Employer-related investments: | | (a) Beginning of Year | (b) End of Year |
|--|--------------|-----------------------|-----------------|
| (1) Employer securities..... | 1d(1) | 4657000 | 5446000 |
| (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 | 4686479 | 5488103 |
| Liabilities | | | |
| g Benefit claims payable..... | 1g | | |
| h Operating payables..... | 1h | | |
| i Acquisition indebtedness..... | 1i | 326370 | |
| j Other liabilities..... | 1j | | |
| k Total liabilities (add all amounts in lines 1g through 1j)..... | 1k | 326370 | 0 |
| Net Assets | | | |
| l Net assets (subtract line 1k from line 1f)..... | 1l | 4360109 | 5488103 |

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) | 636726 | |
| (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) | | 636726 |
| b Earnings on investments: | | | |
| (1) Interest: | | | |
| (A) Interest-bearing cash (including money market accounts and certificates of deposit)..... | 2b(1)(A) | | |
| (B) U.S. Government securities..... | 2b(1)(B) | | |
| (C) Corporate debt instruments..... | 2b(1)(C) | | |
| (D) Loans (other than to participants)..... | 2b(1)(D) | | |
| (E) Participant loans..... | 2b(1)(E) | | |
| (F) Other..... | 2b(1)(F) | | |
| (G) Total interest. Add lines 2b(1)(A) through (F) | 2b(1)(G) | | |
| (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) | | |
| (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) | 789000 | |
| (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 | | 1425726 |

Expenses

| | | | |
|--|--------|--------|--------|
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers..... | 2e(1) | 286998 | |
| (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) | | 286998 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions)..... | 2g | | |
| h Interest expense..... | 2h | | 10734 |
| i Administrative expenses: | | | |
| (1) Salaries and allowances | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Recordkeeping fees | 2i(3) | | |
| (4) IQPA audit fees | 2i(4) | | |
| (5) Investment advisory and investment management fees | 2i(5) | | |
| (6) Bank or trust company trustee/custodial fees | 2i(6) | | |
| (7) Actuarial fees | 2i(7) | | |
| (8) Legal fees | 2i(8) | | |
| (9) Valuation/appraisal fees | 2i(9) | | |
| (10) Other trustee fees and expenses | 2i(10) | | |
| (11) Other expenses..... | 2i(11) | | |
| (12) Total administrative expenses. Add lines 2i(1) through (11) | 2i(12) | | |
| j Total expenses. Add all expense amounts in column (b) and enter total..... | 2j | | 297732 |

Net Income and Reconciliation

| | | | |
|--|-------|--|---------|
| k Net income (loss). Subtract line 2j from line 2d..... | 2k | | 1127994 |
| 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: **DOEREN MAYHEW ASSURANCE**

(2) EIN: **38-2492570**

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 | | 560000 |
| 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 _____.

| | | |
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| 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> 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>KENTWOOD OFFICE FURNITURE EMPLOYEE STOCK OWNERSHIP TRUST</u> | B Three-digit plan number (PN) ▶ | <u>002</u> |
| C Plan sponsor's name as shown on line 2a of Form 5500 <u>KENTWOOD OFFICE FURNITURE, INC.</u> | D Employer Identification Number (EIN) <u>38-3598290</u> | |

| | |
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| Part I | Distributions |
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....

| | |
|---|--|
| 1 | |
|---|--|

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): 33-6134835

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....

| | |
|---|--|
| 3 | |
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| | |
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| Part II | Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.) |
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? Yes No N/A
If the plan is a defined benefit plan, go to line 8.

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

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

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

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

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

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

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

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

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 _____.



**KENTWOOD OFFICE FURNITURE
EMPLOYEE STOCK
OWNERSHIP PLAN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

DECEMBER 31, 2024 and 2023
(With Independent Auditor's Report Thereon)

KENTWOOD OFFICE FURNITURE EMPLOYEE STOCK OWNERSHIP PLAN

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| * Other schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable. | |

INDEPENDENT AUDITOR'S REPORT

To the Plan Trustee and Participants
**Kentwood Office Furniture
Employee Stock Ownership Plan**

Opinion

We have audited the financial statements of the Kentwood Office Furniture 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 December 31, 2024 and 2023, and the related statement of changes in net assets available for benefits for the year ended December 31, 2024, 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 Kentwood Office Furniture Employee Stock Ownership Plan as of December 31, 2024 and 2023, and the changes in net assets available for benefits for the year ended December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion on the Financial Statements

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 the Kentwood Office Furniture Employee Stock Ownership Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audits 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 audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Kentwood Office Furniture 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 Kentwood Office Furniture Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Other Matters - Supplemental Schedule Required by ERISA

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

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 are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Doeren Mayhew Assurance

Grand Rapids, Michigan
September 12, 2025

**KENTWOOD OFFICE FURNITURE
EMPLOYEE STOCK OWNERSHIP PLAN**

**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2024**

| <u>Assets</u> | <u>Allocated</u> | <u>Unallocated</u> | <u>Total</u> |
|---|---------------------|--------------------|---------------------|
| Cash | \$ 42,103 | \$ - | \$ 42,103 |
| Investments, at fair value | | | |
| Kentwood Office Furniture common stock | <u>5,446,000</u> | <u>-</u> | <u>5,446,000</u> |
| Net assets available for benefits | <u>\$ 5,488,103</u> | <u>\$ -</u> | <u>\$ 5,488,103</u> |

See accompanying notes

**KENTWOOD OFFICE FURNITURE
EMPLOYEE STOCK OWNERSHIP PLAN**

**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2023**

| <u>Assets</u> | <u>Allocated</u> | <u>Unallocated</u> | <u>Total</u> |
|---|---------------------|---------------------|---------------------|
| Cash | \$ 29,479 | \$ - | \$ 29,479 |
| Investments, at fair value | | | |
| Kentwood Office Furniture common stock | <u>4,473,458</u> | <u>183,542</u> | <u>4,657,000</u> |
| Total assets | 4,502,937 | 183,542 | 4,686,479 |
| <u>Liability</u> | | | |
| Loan payable | <u>-</u> | <u>326,370</u> | <u>326,370</u> |
| Net assets available for benefits | <u>\$ 4,502,937</u> | <u>\$ (142,828)</u> | <u>\$ 4,360,109</u> |

See accompanying notes

**KENTWOOD OFFICE FURNITURE
EMPLOYEE STOCK OWNERSHIP PLAN**

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2024**

| | <u>Allocated</u> | <u>Unallocated</u> | <u>Total</u> |
|---|----------------------------|--------------------|----------------------------|
| Additions | | | |
| Employer contributions | \$ 299,622 | \$ 337,104 | \$ 636,726 |
| Net unrealized appreciation in market value of investments | <u>757,904</u> | <u>31,096</u> | <u>789,000</u> |
| | 1,057,526 | 368,200 | 1,425,726 |
| Deductions | | | |
| Benefits paid to participants | 286,998 | - | 286,998 |
| Interest expense | <u>-</u> | <u>10,734</u> | <u>10,734</u> |
| | <u>286,998</u> | <u>10,734</u> | <u>297,732</u> |
| Net increase in net assets available for benefits | 770,528 | 357,466 | 1,127,994 |
| Other changes in net assets | | | |
| Allocation of 39,412 shares of Company stock at market value of \$5.45 per share | 214,638 | (214,638) | - |
| Net assets available for benefits at beginning of year | <u>4,502,937</u> | <u>(142,828)</u> | <u>4,360,109</u> |
| Net assets available for benefits at end of year | <u><u>\$ 5,488,103</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 5,488,103</u></u> |

See accompanying notes

KENTWOOD OFFICE FURNITURE EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

Note 1 - Description of the Plan

Kentwood Office Furniture (Company) established the Plan effective January 1, 2012. The Plan is established as a defined contribution plan. The Plan is a leveraged employee stock ownership plan (ESOP), designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan is administered by the Company. The following description of Kentwood Office Furniture Employee Stock Ownership Plan (Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

Administration

The Plan Sponsor and named Plan Administrator is Kentwood Office Furniture. The Plan Administrator is responsible for oversight of the Plan. The Investment Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance and fees, and reports to the Plan's Trustee. The Plan's Trustee is a contracted third party and also acts as custodian of the Company common stock. The Trustee is the named fiduciary under the Plan. The Company has also retained Ambrose Advisors to provide participant recordkeeping and administration services.

Eligibility

The Plan covers all employees of the Company, except those who are covered by a collective bargaining agreement that does not provide for participation in the Plan, leased employees, employees who are employed by an affiliated employer that has not adopted the Plan, non-resident aliens with no U.S. income, or independent contractors. All eligible employees must attain 21 years of age and one year of service prior to participating in the Plan, with the entry date being January 1 or July 1 after meeting the participation requirements.

Contributions

Contributions to the Plan are discretionary, except that the Company must contribute annually at least an amount equal to the principal and interest payments due on the loan payable. The Plan does not allow for any participant contributions. The contributions made to the Plan for 2024 amounted to \$636,726. \$337,104 of the contributions were used to pay principal and interest on the loan payable for the release of shares. The corresponding shares released are allocated to the participant accounts upon receipt of cash contributions.

The plan may not accept rollover contributions from other plans.

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant for the purpose of allocating Company shares released from the suspense account. Each participant's account is credited with an allocation of the Company's contribution, investment income or loss, Company dividends, and forfeitures of terminated participants' non-vested accounts. Allocations of the Company's contribution and any plan forfeitures are based on the participants' eligible compensation to the total eligible compensation of all eligible participants. Allocations of investment income or loss and fees are based on the participants' account balance to the total balance of all participant accounts. Investment income or loss is allocated at the end of the plan year.

KENTWOOD OFFICE FURNITURE EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

Loan Payable

The Kentwood Office Furniture Employee Stock Ownership Plan initially borrowed \$8,100,000 from the Company. Proceeds from this borrowing were used by the Plan to purchase 1,000,000 shares of Company common stock. Commencing September 13, 2013, and continuing over the term of the loan, the shares purchased by the Plan with the loan proceeds will be allocated annually to eligible employees as the Plan's borrowing is repaid. The Company has agreed to make contributions to the Plan in amounts sufficient to enable the Plan to make the principal and interest payments on the Plan's borrowing. The loan was paid in full in 2024.

The borrowings were collateralized by the unallocated shares of stock. The lender has no rights against shares once they are allocated under the Plan. Accordingly, the financial statements of the Plan for the years 2024 and 2023 present separately the assets and liabilities and changes therein pertaining to:

- the accounts of employees with vested rights in allocated stock (Allocated); and
- stock not yet allocated to employees (Unallocated)

Vesting

Vesting of participant accounts is based on years of credited service. A participant is 100% vested after six years of service. In instances of death, disability, or upon reaching age 65, a participant's account will automatically be 100% vested regardless of years of service.

Forfeitures

The non-vested portion of terminated participants' accounts plus earnings thereon are forfeited and allocated to remaining participants. Forfeitures of terminated non-vested account balances allocated to remaining participants at December 31, 2024 totaled \$2,459. There were no unallocated forfeitures at December 31, 2024 and 2023.

Payment of Benefits

Upon retirement, disability, or death, participants or their beneficiaries are eligible for payment of their fully vested account regardless of years of service. Upon termination of service, a participant is eligible to receive the vested portion of his or her account. Participants will receive a lump sum or installment payments to be paid over a five-year period at the discretion of the Company. Distributions are paid in cash.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six year period. In each of the first 5 years, a participant may diversify up to 25% of his or her account, less any shares previously diversified. In the sixth year, the participant may diversify up to 50% of his or her account, less any shares previously diversified. Participants who elect to diversify receive a cash distribution within 90 days after the election is filed with the Company.

KENTWOOD OFFICE FURNITURE EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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 fair value of the stock. The Company can pay for the purchase 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.

Voting Rights

All employer stock held under the Plan will carry voting rights. The Trustee will vote the shares held under the Plan on most issues, but the participant has the right to direct the Trustee to vote the shares held in their accounts on all major corporate issues. Participants will be notified by the Trustee prior to the time that such rights are to be exercised.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Contributions and earnings are recorded when they are earned. Expenses are recorded in the accounting period in which they are incurred.

Investment Valuation and Income Recognition

The common shares of the Company are valued at fair value on December 31, 2024 and 2023. Fair value is determined by independent appraisal. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Net unrealized appreciation 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.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including September 12, 2025, which is the date the financial statements were available to be issued.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

KENTWOOD OFFICE FURNITURE EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

The valuation of Kentwood Office Furniture common stock represents a significant estimate. The estimate is based on projected future cash flows and other relevant information, and management believes that actual results will not differ significantly from estimates.

Note 3 - Fair Value Measurements

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

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

Kentwood Office Furniture Common Stock: There is limited or no observable market data for the process of valuing Kentwood Office Furniture common stock that is held by the Plan. The Common stock is valued by independent appraisal. The valuation was completed using a combination of two approaches (income approach and market approach) in determining the value. The income approach included the discounted cash flow method based on an estimate of future cash flow using the weighted average cost of capital. The market approach included using valuation multiples from an analysis of guideline public companies and adjusting as necessary to the Company's projected results.

Interest Bearing Cash: Valued at amortized cost, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realized value or reflective of future fair values. Furthermore, while 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.

KENTWOOD OFFICE FURNITURE EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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

| Assets at Fair Value as of December 31, 2024 | | | | |
|--|-----------|---------|--------------|--------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Company stock | \$ - | \$ - | \$ 5,446,000 | \$ 5,446,000 |
| Interest bearing cash | 42,103 | - | - | 42,103 |
| Investments at fair value | \$ 42,103 | \$ - | \$ 5,446,000 | \$ 5,488,103 |

| Assets at Fair Value as of December 31, 2023 | | | | |
|--|-----------|---------|--------------|--------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Company stock | \$ - | \$ - | \$ 4,657,000 | \$ 4,657,000 |
| Interest bearing cash | 29,479 | - | - | 29,479 |
| Investments at fair value | \$ 29,479 | \$ - | \$ 4,657,000 | \$ 4,686,479 |

There were no purchases or sales of Level 3 investments, or transfers of assets between levels during 2024 and 2023. The change in value of the Plan's Level 3 assets reflects the net appreciation in the fair value of those assets based upon annual valuation.

Note 4 - Investments

Fair values of the Plan's investments at December 31, 2024 and 2023 are as follows:

| | 2024 | |
|----------------------|--------------|-------------|
| | Allocated | Unallocated |
| Company common stock | | |
| Number of shares | 1,000,000 | - |
| Cost, as adjusted | \$ 8,100,000 | \$ - |
| Market | \$ 5,446,000 | \$ - |

KENTWOOD OFFICE FURNITURE EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

| | 2023 | |
|----------------------|--------------|-------------|
| | Allocated | Unallocated |
| Company common stock | | |
| Number of shares | 960,588 | 39,412 |
| Cost, as adjusted | \$ 7,780,763 | \$ 319,237 |
| Market | \$ 4,473,458 | \$ 183,542 |

Investments in company common stock of \$5,446,000 and \$4,657,000 as of December 31, 2024 and 2023, respectively represent 99% of total assets held under the Plan.

Note 5 - Loan Payable

Loan payable consisted of a term loan agreement with the Company requiring annual installments of \$337,104 including interest, due December 31 of each year. The note bears an interest rate of 3.28% and has been paid in full as of December 31, 2024.

The Company shares are held in a suspense account within the Plan until loan payments are made. A percentage of shares equivalent to the percentage of principal and interest paid down by the payment are released for distribution to participants when each annual payment is made.

Note 6 - Party in Interest Transactions

Ambrose Advisors is the Plan's record keeper and also provides administrative functions to the Plan. The Plan's assets, which consist principally of sponsor Company common shares, are held by the trustee. The Plan also holds cash, which is maintained in a single account held by a financial institution. Company contributions are held and managed by the trustee, who invests cash received, interest, and dividend income and makes distributions to participants. Transactions involving these investments are considered party-in-interest transactions; however, these transactions are not considered prohibited transactions under 29 CFR 408(b) of the ERISA regulations.

Note 7 - Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions and to terminate the Plan at any time by action of the Board subject to the provisions of ERISA. In the event of plan termination, participants will be vested 100% in the balances in their accounts. Custodial fees and other operating expenses incurred after the termination date may, at the discretion of the Plan Sponsor, be paid by the Plan.

Note 8 - Restricted Assets

The investment in unallocated common stock of the Company is restricted to the extent that it is security for the loan payable. Shares of unallocated common stock become available for benefits to participants based on the ratio of principal and interest paid in the Plan year to the total principal and interest to be paid on the note.

KENTWOOD OFFICE FURNITURE EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

Note 9 - Tax Status

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated June 23, 2017, stating that the Plan is qualified, under the Internal Revenue Code (IRC) and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. There have been no amendments to the Plan since receipt of this determination letter.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. As of December 31, 2024, the Plan Administrator believes that the Plan has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, the Plan is not currently being examined.

Note 10 - 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 available for benefits.

SUPPLEMENTAL INFORMATION

**KENTWOOD OFFICE FURNITURE
EMPLOYEE STOCK OWNERSHIP PLAN
PLAN #002
EIN 38-3598290**

**SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2024**

Form 5500, Schedule H, Item 4(i) - Schedule of Assets (Held at End of Year)

| (a) | (b) | (c) | (d) | (e) |
|---|---|--------------------------------|---------------|---------------------|
| Identity of Issue, Lessor, Borrower or Similar Party | Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | Cost | Current Value | |
| * | Kentwood Office Furniture | Common stock, 1,000,000 shares | \$ 8,100,000 | \$ 5,446,000 |
| | Pacific Premier Bank | Interest bearing cash | 42,103 | 42,103 |
| | | | | <u>\$ 5,488,103</u> |

* A party-in-interest as defined by ERISA.

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Federal StatementsFYE: 12/31/2024 **Kentwood Office Furniture Employee Stock Ownership
Plan: 002****Assets Held for Investment**

| <u>Party in Interest</u> | <u>Identity</u> | <u>Description</u> | <u>Cost</u> | <u>Current Value</u> |
|------------------------------|---------------------------------------|--------------------------|------------------------|--------------------------|
| X | Company Stock Pacific Premier Bank | KOF Common Stock Cash | \$ 8,100,000 42,103 | \$ 5,446,000 42,103 |