

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2024

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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.

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, a single-employer plan, a DFE, etc.
B This return/report is: the first return/report, the final return/report, an amended return/report, a short plan year return/report, etc.
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, etc.
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: ARTIFLEX MANUFACTURING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 003
1c Effective date of plan: 01/01/2023
2a Plan sponsor's name, mailing address, city, state, and ZIP: ARTIFLEX MANUFACTURING, INC., 731 BROADWAY AVE. NW, GRAND RAPIDS, MI 49504
2b Employer Identification Number (EIN): 45-1759535
2c Plan Sponsor's telephone number: 773-490-3735
2d Business code (see instructions): 336300

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	371
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)	367
	6a(2)	333
	6b	0
	6c	47
	6d	380
	6e	3
	6f	383
	6g(1)	357
6g(2)	378	
6h	35	
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:
2P

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

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

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

a Pension Schedules	b General Schedules
(1) <input checked="" type="checkbox"/> R (Retirement Plan Information)	(1) <input checked="" type="checkbox"/> H (Financial Information)
(2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) <input type="checkbox"/> I (Financial Information – Small Plan)
(3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) <input type="checkbox"/> A (Insurance Information) – Number Attached <u>0</u>
(4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____	(4) <input type="checkbox"/> C (Service Provider Information)
(5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information)	(5) <input type="checkbox"/> D (DFE/Participating Plan Information)
	(6) <input type="checkbox"/> G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 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 ARTIFLEX MANUFACTURING, INC. EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 ARTIFLEX MANUFACTURING, INC.		D Employer Identification Number (EIN) 45-1759535	

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)	4800000	3650000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	0	34870500
(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	4800000	38520500
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i	0	58120556
j Other liabilities.....	1j	0	1490944
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	0	59611500
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	4800000	-21091000

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)	8938828	
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		8938828
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)	-31072327	
(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		-22133499

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	12762	
(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)		12762
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		3744739
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		3757501

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-25891000
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		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.	<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>ARTIFLEX MANUFACTURING, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ARTIFLEX MANUFACTURING, INC.</u>	D Employer Identification Number (EIN) <u>45-1759535</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 _____.



**ARTIFLEX
MANUFACTURING, INC.
EMPLOYEE STOCK
OWNERSHIP PLAN**

FINANCIAL STATEMENTS

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

**ARTIFLEX MANUFACTURING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statements of Net Assets (Deficit) Available for Benefits	4
Statement of Changes in Net Assets Available for Benefits	5
Notes to Financial Statements	6
SUPPLEMENTAL INFORMATION *	
Form 5500, Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	15
Form 5500, Schedule H, Line 4j - Schedule of Reportable Transactions	16
* 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 Administrator and Participants
Artiflex Manufacturing, Inc. Employee Stock Ownership Plan

Opinion on the Financial Statements

We have audited the financial statements of the Artiflex Manufacturing, Inc. Employee Stock Ownership Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets (deficit) available for benefits as of December 31, 2024 and 2023, and the related statement of changes in net assets (deficit) 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 (deficit) available for benefits of the Artiflex Manufacturing, Inc. Employee Stock Ownership Plan as of December 31, 2024 and 2023, and the changes in net assets (deficit) 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 Audits of the Financial Statements section of our report. We are required to be independent of the Artiflex Manufacturing, Inc. Employee Stock Ownership Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

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

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 audits 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 Artiflex Manufacturing, Inc. Employee Stock Ownership Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Artiflex Manufacturing, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

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

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of assets (held at end of year) and reportable transactions are presented for purposes of additional analysis and are not a required part of the financial statements but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are 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 schedules are 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

Troy, Michigan
September 19, 2025

**ARTIFLEX MANUFACTURING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**STATEMENTS OF NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS
DECEMBER 31, 2024 AND 2023**

	2024		
	Allocated	Unallocated	Total
Assets			
Artiflex Manufacturing, Inc. preferred stock	\$ 4,850,762	\$ 30,019,738	\$ 34,870,500
Employer contributions receivable	-	3,650,000	3,650,000
Total assets	4,850,762	33,669,738	38,520,500
Liabilities			
Accrued interest	-	1,490,944	1,490,944
Note payable	-	58,120,556	58,120,556
Total liabilities	-	59,611,500	59,611,500
Net assets (deficit) available for benefits	\$ 4,850,762	\$ (25,941,762)	\$ (21,091,000)
2023			
	Allocated	Unallocated	Total
Assets			
Employer contributions receivable	\$ 4,800,000	\$ -	\$ 4,800,000
Net assets available for benefits	\$ 4,800,000	\$ -	\$ 4,800,000

See accompanying notes to financial statements

**ARTIFLEX MANUFACTURING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

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

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Additions			
Employer contributions	\$ 12,762	\$ 8,926,066	\$ 8,938,828
Allocation of 48,687.7670 shares of Artiflex Manufacturing, Inc. preferred stock at fair value	<u>4,850,762</u>	<u>-</u>	<u>4,850,762</u>
Total additions	4,863,524	8,926,066	13,789,590
Deductions			
Net depreciation in fair value of Artiflex Manufacturing, Inc. preferred stock	-	31,072,327	31,072,327
Benefits paid to participants	12,762	-	12,762
Interest expense	-	3,744,739	3,744,739
Allocation of 48,687.7670 shares of Artiflex Manufacturing, Inc. preferred stock at fair value	<u>-</u>	<u>4,850,762</u>	<u>4,850,762</u>
Total deductions	<u>12,762</u>	<u>39,667,828</u>	<u>39,680,590</u>
Net increase (decrease) in assets	4,850,762	(30,741,762)	(25,891,000)
Transfer for debt services	(4,800,000)	4,800,000	-
Net assets available for benefits - January 1, 2024	<u>4,800,000</u>	<u>-</u>	<u>4,800,000</u>
Net assets (deficit) available for benefits - December 31, 2024	<u><u>\$ 4,850,762</u></u>	<u><u>\$ (25,941,762)</u></u>	<u><u>\$ (21,091,000)</u></u>

See accompanying notes to financial statements

ARTIFLEX MANUFACTURING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

Note 1 – Description of the Plan

General

The Plan is a defined contribution plan that was established on January 1, 2023 by Artiflex Manufacturing, Inc. (the "Company" or "Employer"). In anticipation of the sale of Company stock to an employee stock ownership plan sponsored by the Company, the Company's Board of Directors adopted the Artiflex Manufacturing Profit Sharing Plan (the "PSP"), effective as of January 1, 2023, and subsequently converted the PSP into the Artiflex Manufacturing Employee Stock Ownership Plan (the "ESOP" and the "Plan"), effective as of September 1, 2023. The Plan is 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 provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The following description of the Plan is provided for general information purposes only. Participants should refer to the Summary Plan Description or the Adoption Agreement, including amendments thereto, for a complete description of the Plan's provisions.

Administration

The Plan Sponsor and named Plan Administrator is Artiflex Manufacturing, Inc. The Plan Administrator is responsible for managing, controlling the operation and administration of the Plan and oversees the reasonableness of plan expenses and fees. The Plan's Trustee is Robert Lesser of Aegis Trust Company, LLC. The Trustee is the named fiduciary under the Plan. The Company has also retained Blue Ridge ESOP Associates to provide participant recordkeeping and administration services.

Eligibility

The Plan covers all employees of the Employer, except for leased employees, independent contractors, employees who live and work outside of the United States who do not receive United States-sourced compensation and employees covered by a collective bargaining agreement. All eligible covered employees must attain 19 years of age and six months of service prior to participating in the Plan, with the entry date being January 1st, April 1st, July 1st, or October 1st after satisfying the participation requirements. Contingent employees must attain 19 years of age and one year of service prior to participating in the Plan, with entry date being January 1st, April 1st, July 1st, or October 1st after satisfying the participation requirements.

Contributions to the Plan

The Company may make, at the discretion of its Board of Directors, annual contributions to the Plan in cash or shares of Company stock. Any shares of Company stock contributed to the Plan are valued at their fair market value at the date of contribution. Contributions are due by the last day of that plan year and are paid to the Trustee not later than the date for the filing of the Company's federal income tax return.

Allocations are based on a proportion of eligible compensation earned for that year by a participant to the total eligible compensation by all participants who are eligible to share in the allocations for that year. Participants must complete 1,000 hours of service during the plan year and must be employed on the last day of the plan year in order to share in allocations except for those who have reached normal retirement age, died or became disabled during the plan year.

The Plan may not accept rollover contributions from other plans.

ARTIFLEX MANUFACTURING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

Contributions are subject to certain Internal Revenue Service (IRS) limitations.

Payment of Benefits

On termination of service, participants with vested account balances of \$5,000 or less are subject to involuntary cash-outs, in which automatic distribution of their account balance will occur without direct consent. If the participants' vested account balance is between \$1,000 and \$5,000 and a benefit election is not made, the vested benefit will be rolled over to an IRA selected by the Plan Administrator. Participants whose vested account balances exceed \$5,000 may elect a lump sum distribution or a rollover of their account balance to another qualified account. Additionally, they may also elect to defer the distribution of their plan balance; however, if any portion of the vested account balance includes Company stock, distributions shall commence no later than the year after the close of the fifth year following the plan year in which the participant terminates employment for a reason other than attainment of normal retirement age, death or becoming disabled. Participants who elect to have their benefit payments deferred continue to share in allocations of investment income and losses, but do not share in subsequent allocations of employer contributions. Special rules apply to distributions due to death, disability and retirement. Participants should refer to the full plan document for details.

Distributions from a participant's Company stock account are made in cash or, if a participant elects, in the form of Company stock subject to the requirement that the Company stock be immediately sold to the Company at a price equal to its fair market value as determined as of the most recent valuation.

Under the provisions of the Plan, the Company is obligated to repurchase participant shares, which have been distributed under the terms of the Plan, as long as the shares are not publicly traded.

Administrative Fees and Expenses

As provided in the plan agreement, administrative expenses may be paid either by the Plan or by the Company.

Voting Rights

The Trustee shall vote the shares of Company stock held in the Plan with respect to all matters in its discretion. However, each participant or their beneficiary is entitled to direct the Trustee as to how to vote those shares allocated to his or her account with respect to any proposed merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all the assets of the business or any similar transaction.

Participant Accounts

Individual accounts are maintained for each plan participant to reflect the participant's entire interest under the Plan. Each participant's account is credited as of the last day of each plan year with: a) an allocation of shares of Company stock purchased or contributed by the Company to the Trust Fund for that year, b) allocation of shares of the Company's preferred stock released by the Trustee from the unallocated suspense account, c) the participant's allocable share of contributions made in that year in cash or property other than Company stock that is not used by the Trustee to purchase Company stock, d) forfeitures of terminated participants' non-vested accounts, e) any cash distributions paid during the year on Company stock credited to the participant's account, other than distributions paid directly to the participant and f) the allocable share of the Plan's net income or loss.

ARTIFLEX MANUFACTURING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

Notes Receivable from Participants

Participant loans are not permitted.

Vesting

Contributions are subject to a graded vesting schedule based on years of service at a rate of 20% per year after two full years of credited service. Participants are credited with a year of service upon working 1,000 hours or more during the plan year. A participant is 100% vested after six years of credited service.

A participant's account also becomes fully vested upon attaining normal retirement age of 65 or upon the participant's death or disability.

Diversification

Diversification is offered during an election period to active participants with an account balance of at least \$500 who have attained age 55 and completed at least ten years of participation in the Plan so that they may have the opportunity to move part of their investment in shares of Company stock into investments that are more diversified. The election period is the period of six consecutive plan years beginning with the plan year in which a participant first becomes eligible to diversify. A participant may direct that an amount of cash equal to the value of a portion of his or her shares be either distributed to him or her or transferred to an account in his or her account name in another tax-qualified plan maintained by the Company, to be invested at the direction of the participant into three or more investment funds consisting of differing types of properties and offering different degrees of risk and potential reward.

Forfeitures

Forfeitures of non-vested participant balances are held in a forfeiture account and are to be reallocated annually to each remaining participant based on a proportion of eligible compensation earned for that year to the total eligible compensation earned by all participants who are eligible to share in the allocations for that year. There were no unallocated forfeitures as of December 31, 2024 and 2023. During the year ended December 31, 2024, 210.5886 shares of Company stock were forfeited from participant accounts and were reallocated to participants based on eligible compensation.

Put Option

Under federal income tax regulations, the employer stock that is held by the Plan and its participants is not readily tradable on an established market, nor is it subject to trading limitations including 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 purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

**ARTIFLEX MANUFACTURING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

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.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Allocations

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

Investment Valuation and Income Recognition

Investments, including shares of Company preferred stock, are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of the fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Net appreciation or depreciation 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 19, 2025, which is the date the financial statements were available to be issued.

ARTIFLEX MANUFACTURING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

Note 3 – Investments

The Plan provides that, to the extent the Plan Administrator and Trustee deem practicable, the Trustee shall use all available cash, as directed by the Plan Administrator and Trustee, to buy Company stock. If no Company stock is available for purchase, and the Plan Administrator and Trustee determines that the purchase of additional Company stock is not practicable, the Custodian may invest in other securities or property as directed by the Plan Administrator and Trustee.

The investment in the Company preferred stock is recorded at its estimated fair value at year end, as determined by an annual independent appraisal as of the Company's fiscal year end. The independent appraised fair value of the Company preferred stock at December 31, 2024 was \$99.63 per share.

The investments in preferred stock of Artiflex Manufacturing, Inc. are as follows as of December 31, 2024:

	<u>Allocated</u>	<u>Unallocated</u>
Number of shares	48,687.7670	301,312.2330
Cost	\$ 9,173,169	\$ 56,769,658
Estimated fair value	\$ 4,850,762	\$ 30,019,738

Note 4 – Fair Value Measurements

Generally accepted accounting principles (GAAP) establish 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 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy under GAAP are described below:

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.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to their fair value measurement.

**ARTIFLEX MANUFACTURING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

The following is a description of the valuation methods used for assets measured at fair value.

Level 3 Fair Value Measurements

Preferred stock: There is limited or no observable market data for the process of Artiflex Manufacturing, Inc. preferred stock that is held by the Plan. The Artiflex Manufacturing, Inc. preferred stock's fair value is determined by an annual valuation of the preferred stock of Artiflex Manufacturing, Inc. shares and are valued at the price represented in the valuation report conducted by Adamy Valuation Advisors. This appraisal is based upon a combination of the discounted cash flow method and guideline public company method.

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

	As of December 31, 2024			Total
	Level 1	Level 2	Level 3	
Artiflex Manufacturing, Inc. preferred stock	\$ -	\$ -	\$ 34,870,500	\$ 34,870,500
Investments, at fair value	\$ -	\$ -	\$ 34,870,500	\$ 34,870,500

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2024:

Balance - January 1, 2024	\$ -
Purchases	65,942,827
Investment loss	(31,072,327)
Balance - December 31, 2024	\$ 34,870,500

Note 5 – Note Payable

Effective February 22, 2024, the Plan entered into a term note payable agreement with the Company to purchase 350,000 shares of Company preferred stock. The note calls for annual payments of \$3,813,730 including accrued interest at 4.18% per annum. Unallocated shares are collateral for the Plan. Shares are released from collateral and allocated to participants as payments of principal and interest are made. Shares are released proportionally based on the amount of principal and interest paid for the year as it relates to the total principal and interest due over the term of the note. This resulted in 48,687.7670 shares being released and allocated for the plan year ended December 31, 2024. The balance of the note was \$58,120,556 at December 31, 2024. Interest expense for the year ended December 31, 2024 was \$3,744,739.

**ARTIFLEX MANUFACTURING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

The scheduled amortization of the note for the next five years and thereafter is as follows:

Year Ending December 31st

2025	\$ 5,069,155
2026	1,596,182
2027	1,662,902
2028	1,732,412
2029	1,804,826
Thereafter	46,255,079

Note 6 – Party-in-Interest Transactions

The Plan invests in Company stock and has indebtedness guaranteed by the Company. The Plan's assets also consist of contributions receivable from the Plan Sponsor, which are managed and controlled by the Artiflex Manufacturing Employee Stock Ownership Trust. Further, as described in Note 1, the Company may pay plan expenses and has a number of service providers. These are related party and party-in-interest transactions. Such providers are parties-in-interest under ERISA.

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% 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 – Plan Amendment and Tax Status

The Plan is a non-standardized pre-approved plan with an effective date of September 1, 2023, which has been filed with the IRS and has received a favorable opinion letter dated June 30, 2020. The Plan Sponsor believes that the Plan is currently designed and being operated in compliance with applicable requirements of the Internal Revenue Code and, therefore, that the Plan is qualified under Section 401(a) and that the related Trust is tax-exempt as of December 31, 2024.

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.

**ARTIFLEX MANUFACTURING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

Note 9 – Risks and Uncertainties

The Plan invests in Artiflex Manufacturing, Inc. preferred stock. Artiflex Manufacturing, Inc. preferred stock is exposed to various risks such as interest rate, market and credit risks, as well as valuation assumptions based on earnings, cash flows and/or other such techniques. Due to the level of risk associated with certain investment securities and Artiflex Manufacturing, Inc. preferred stock, it is at least reasonably possible that changes in the values of Artiflex Manufacturing, Inc. will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets (deficit) available for benefits.

Note 10 – Significant Concentration

Investments representing ten percent or more of the Plan's net assets (deficit) are considered to be a significant concentration and is as follows at December 31, 2024:

Artiflex Manufacturing, Inc. preferred stock	<u>\$ 34,870,500</u>
--	----------------------

SUPPLEMENTAL INFORMATION

**ARTIFLEX MANUFACTURING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**SCHEDULE OF REPORTABLE TRANSACTIONS
YEAR ENDED DECEMBER 31, 2024
- Form 5500, Schedule H, Line 4j -
Plan Sponsor No. 45-1759535, Plan No. 003**

(a) Identity of Party Involved	(b) Description of Asset (include interest rate and maturity in case of a loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expenses Incurred with Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
Artiflex Manufacturing, Inc.	Purchase of 350,000 shares of Company preferred stock	\$ 65,942,827	\$ -	n/a	\$ -	\$ 65,942,827	\$ 65,942,827	\$ -

Category (i) - single transactions in excess of 5% of Plan net assets.

**ARTIFLEX MANUFACTURING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2024
- Form 5500, Schedule H, Line 4i -
Plan Sponsor No. 45-1759535, Plan No. 003**

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Artiflex Manufacturing, Inc.	Allocated employer preferred stock, 48,687.7670 shares	\$ 9,173,169	\$ 4,850,762
*	Artiflex Manufacturing, Inc.	Unallocated employer preferred stock, 301,312.2330 shares	<u>56,769,658</u>	<u>30,019,738</u>
		Total assets (held at end of year)	<u>\$ 65,942,827</u>	<u>\$ 34,870,500</u>

Note: Information provided is based on reports provided by the Custodian.

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