

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

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.

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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: ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 002
1c Effective date of plan: 01/01/2009
2a Plan sponsor's name (employer, if for a single-employer plan): ARTIST & CRAFTSMAN SUPPLY
2b Employer Identification Number (EIN): 01-0486772
2c Plan Sponsor's telephone number: 207-828-2555
2d Business code (see instructions): 451120

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	341
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)	114
	6a(2)	93
	6b	48
	6c	109
	6d	250
	6e	0
	6f	250
	6g(1)	320
	6g(2)	247
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 <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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024	
A Name of plan ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 ARTSTOCK	D Employer Identification Number (EIN) 01-0486772

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

		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	4477	5642
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	6685	0
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	25561	27195
(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)	155000	51000
(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	191723	83837
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i	4235139	3951234
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	4235139	3951234
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	-4043416	-3867397

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)	387481	
(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)		387481
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	1345	
(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)		1345
(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)	-98411	
(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		290415

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	18682	
(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)		18682
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		95714
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		114396

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		176019
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: **CARON & BLETZER, PLLC**

(2) EIN: **04-3499945**

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		500000
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.
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A Name of plan <u>ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ARTSTOCK</u>	D Employer Identification Number (EIN) <u>01-0486772</u>	

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	0
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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	
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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
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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.
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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 12 / 29 / 2020 (MM/DD/YYYY) and the Opinion Letter serial number Q704390A.

**ARTIST & CRAFTSMAN SUPPLY EMPLOYEE
STOCK OWNERSHIP PLAN AND TRUST**

FINANCIAL STATEMENTS

December 31, 2024 and 2023 and
For the Year Ended December 31, 2024



CARON & BLETZER, PLLC

Certified Public Accountants and Business Consultants

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
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Certain supplemental schedules have been omitted because they are either not required or not applicable.



Independent Auditor's Report

To the Trustees of the Artist & Craftsman Supply Employee Stock Ownership Plan and Trust:

Disclaimer of Opinion

We were engaged to audit the accompanying financial statements of the Artist & Craftsman Supply Employee Stock Ownership Plan and Trust ("the 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.

We do not express an opinion on the accompanying financial statements of the Artist & Craftsman Supply Employee Stock Ownership Plan. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

Artstock's ("the Company or the plan sponsor") financial statements for the year ended December 31, 2023, indicated a substantial doubt about the Company's ability to continue as a going concern. The Company's financial statements for the year ended December 31, 2024 have not yet been issued. As a result, we are unable to determine whether any adjustments might be necessary with respect to the valuation of the Company's common stock held by the Plan as of December 31, 2024, which is further discussed in Note B. Should the Plan be terminated, the terms discussed in Note I would be applicable. The financial statements and the supplemental schedule do not include any adjustments that might result from the outcome of this uncertainty.

Substantial Doubt About the Plan's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Plan will continue as a going concern. As discussed in Note B to the financial statements, the plan sponsor's financial statements for the year ended December 31, 2023 indicate there is substantial doubt about the plan sponsor's ability to continue as a going concern and management has stated that substantial doubt exists about the Plan's ability to continue as a going concern. The Company's financial statements for the year ended December 31, 2024 have not yet been issued. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note B. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our disclaimer of opinion is modified with respect to this matter.

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 Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Plan's financial statements in accordance with auditing standards generally accepted in the United States of America and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

Supplemental Schedule Required by ERISA

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) as of December 31, 2024, 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. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

Caron & Bleyer, PLLC

Kingston, NH
September 22, 2025

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
 STATEMENTS OF NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS
 December 31, 2024 and 2023

	2024			2023		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
ASSETS:						
Cash	\$ 5,642	\$ -	5,642	\$ 4,477	\$ -	4,477
Investments, at fair value:						
Mutual fund	27,195	-	27,195	25,561	-	25,561
Artist & Craftsman Supply Company common stock	<u>35,139</u>	<u>15,861</u>	<u>51,000</u>	<u>102,778</u>	<u>52,222</u>	<u>155,000</u>
Total investments	62,334	15,861	78,195	128,339	52,222	180,561
Receivable:						
Employer contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,685</u>	<u>-</u>	<u>6,685</u>
Total assets	67,976	15,861	83,837	139,501	52,222	191,723
LIABILITIES:						
Notes payable	<u>-</u>	<u>3,951,234</u>	<u>3,951,234</u>	<u>-</u>	<u>4,235,139</u>	<u>4,235,139</u>
Net assets (deficit) available for benefits	<u>\$ 67,976</u>	<u>\$ (3,935,373)</u>	<u>\$ (3,867,397)</u>	<u>\$ 139,501</u>	<u>\$ (4,182,917)</u>	<u>\$ (4,043,416)</u>

The accompanying notes are an integral
part of the financial statements.

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
STATEMENT OF CHANGES IN NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS
For the year ended December 31, 2024

	2024		
	Allocated	Unallocated	Total
Additions (reductions):			
Net depreciation in fair value of investments	\$ (63,372)	\$ (35,039)	\$ (98,411)
Dividend and interest income	1,345	-	1,345
Allocation of 259 shares of Artist & Craftsman Supply			
Company common stock, at fair value	1,322	-	1,322
Employer contributions	7,862	379,619	387,481
Total net additions (reductions)	(52,843)	344,580	291,737
Deductions:			
Allocation of 259 shares of Artist & Craftsman Supply			
Company common stock, at fair value	-	1,322	1,322
Benefits paid to participants	18,682	-	18,682
Interest expense	-	95,714	95,714
Total deductions	18,682	97,036	115,718
Net increase (decrease)	(71,525)	247,544	176,019
Net assets (deficit) available for benefits, beginning of year	139,501	(4,182,917)	(4,043,416)
Net assets (deficit) available for benefits, end of year	\$ 67,976	\$ (3,935,373)	\$ (3,867,397)

The accompanying notes are an integral
part of the financial statements.

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS

A. DESCRIPTION OF PLAN:

The following description of the Artist & Craftsman Supply Employee Stock Ownership Plan (the "Plan") provides only general information. Participants should refer to the plan document for a complete description of the Plan's provisions.

General

The Plan sponsor, Artstock (the "Company") established the Plan effective January 1, 2009. The Plan operates, in relevant part, as a leveraged employee stock ownership plan, and is designed to comply with Section 4975(e)(7) of the Internal Revenue Code ("IRC") and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

On December 24, 2009, the Plan purchased 4,816.67 shares of Company common stock using a \$300,000 contribution to the Plan and the proceeds from a loan between the Plan and a former shareholder for \$970,000 and a loan between the Plan and the Company for \$1,000,000. The loan for \$1,000,000 was repaid in full prior to 2017.

On December 30, 2016, the Plan purchased the remaining 5,183.33 issued and outstanding shares of Company common stock using the proceeds of a loan from the Company of \$6,100,000.

The borrowing is collateralized by the unallocated shares of common stock and is guaranteed by the Company. The lender has no rights against shares of common stock once they are allocated to participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan as of December 31, 2024, and 2023, and for the year ended December 31, 2024, present separately the assets and liabilities and changes therein pertaining to

- a. the accounts of employees with rights in allocated common stock (allocated), and
- b. common stock not yet allocated to employees (unallocated).

Participation

Substantially all non-union employees of the Company are eligible to participate in the Plan as of the first day of January or July of each plan year coinciding with or next following the later of (i) completion of one year of service measured from the date the employee first completes an hour of service or the first day of any plan year thereafter, and (ii) the date the employee attains the age of 21.

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS

Contributions

The Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to make its regularly scheduled payments of principal and interest due on its term loan. Each year, the Company contributes to eligible participants in the proportion based on a participant's points relative to total points for all participants. Points are credited to participant's account annually based on years of service and compensation, as defined by the Plan document. For the year ended December 31, 2024, the Company contributed \$387,481, of which \$379,619 was for the loan repayment and \$7,862 was for funding of distributions. This contribution resulted in 259 shares being allocated at the fair market value of \$5.10 per share. Participants must complete 1,000 hours of service during the plan year and be employed on the last day of the plan year to share in the contribution. Employee contributions are not permitted.

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited, as of the last day of the year, with a proportionate allocation of (a) the Company's contributions, (b) forfeitures of terminated participants' non-vested accounts, and (c) plan earnings. Only those participants who are eligible employees of the Company as of the last day of the plan year will receive an allocation. Allocations of contributions and forfeitures are based on a participant's points relative to total points for all participants. Points are credited to participant's account annually based on years of service and compensation, as defined by the Plan document. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance.

Vesting

Participants become 100% vested upon death, total and permanent disability, or attainment of normal retirement age. Otherwise, a participant's interest in the Company's contributions and earnings thereon vests according to the following schedule:

<u>Completed Years of Service</u>	<u>Percent Vested</u>
Fewer than two	0%
Two	20%
Three	40%
Four	60%
Five	80%
Six	100%

Forfeitures

When certain terminations of participation in the Plan occur, the nonvested portion of the participant's account represents a forfeiture, as defined by the Plan. Forfeitures may be used to pay plan expenses or to reduce employer contributions. During the year ended December 31, 2024, \$1,809 of forfeitures were allocated to participants. There were no unallocated forfeitures as of December 31, 2024 and 2023.

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS

Distribution of Benefits

Distributions on account of death, disability, or retirement are made by the end of the Plan year following the event. Distributions for other separations from service may commence by the end of the fifth plan year following the plan year in which such termination occurs. Distributions are made in substantially equal periodic payments over a period of five years or a lump sum distribution. Under the provisions of the Plan, all distributions are made in the form of cash.

In conducting the 2024 audit it was determined that the distributions paid from the Plan in 2024 were distributions that were eligible to be paid for the plan years ended December 31, 2022, 2023 and 2024. As of December 31, 2024, the Plan was current on payment of distributions for the Plan.

Voting Rights

The Trustee shall vote all shares of Company stock held by the Plan with respect to all corporate matters upon which shareholders are entitled to vote. Each participant shall direct the Trustee as to voting of shares held in his or her account with respect to any shareholder vote that is required for the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, or sale of substantially all the assets of a trade or business. A participant who is entitled to such pass-through voting shall receive from the Company such proxy materials and a proxy form upon which voting directions may be indicated to the Trustee. The Trustee shall vote such allocated shares of Company stock as instructed by participants. Allocated shares for which no direction is received shall be voted by the Trustee in its discretion. Fractional shares of Company stock for which directions are received shall be combined to the extent practicable to reflect participants' directions.

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 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 five years, a participant may diversify up to 25% of the number of Company shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participants who elect to diversify receive a cash distribution.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting.

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS

Going Concern

The financial statements and supplemental schedule have been prepared assuming the Plan sponsor will continue as a going concern. The Company's financial statements for the year ended December 31, 2023, had indicated a substantial doubt about the entity's ability to continue as a going concern. The Company's financial statements for the year ended December 31, 2024 have not yet been issued. The Company's ability to continue as a going concern raises substantial doubt about the Plan's continuation. Should the Plan be terminated, the terms discussed in Note I would be applicable. Due to the circumstances identified above, we are not comfortable with the valuation of the Company common stock held by the Plan. The financial statements and the supplemental schedule do not include any adjustments that might result from the outcome of this uncertainty.

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 changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Cash

Cash includes cash on hand and demand deposit accounts.

Allocations

The financial statements of the Plan present separately the assets and liabilities and changes there in 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 are reported at fair value. See Note D for discussion of fair value measurements. Dividend income is accrued on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Contributions

Company contributions are calculated and recorded based on plan compensation paid during the year.

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS

Expenses of the Plan

As provided in the Plan agreement, administrative expenses may be paid either by the Plan or by the Company. The Company has historically paid the operating expenses for the Plan. Expenses that are paid by the Company are excluded from these financial statements.

Payment of Benefits

Benefits are recorded when paid.

Reclassification

Certain 2023 amounts have been reclassified to conform with the presentation in the 2024 financial statements.

C. INVESTMENTS:

The Plan's investments in company common stock, at December 31, are presented in the following table:

	2024		2023	
	Allocated	Unallocated	Allocated	Unallocated
Number of Shares	6,890	3,110	6,631	3,369
Cost	\$ 4,692,934	\$ 3,634,401	\$ 4,390,067	\$ 3,937,268
Estimated Fair Value	\$ 35,139	\$ 15,861	\$ 102,778	\$ 52,222

D. FAIR VALUE MEASUREMENTS:

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

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

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

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

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS

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

Following is a description of the valuation methodologies used by the Plan. There have been no changes in the methodologies used at December 31, 2024 and 2023.

Artist & Craftsman Supply Company common stock: Valued at fair value based upon an independent appraisal. The appraisal was based upon the income and market valuation techniques for the years ended December 31, 2024 and 2023. The appraiser took into account the weighted average cost of capital, the long-term growth rate, the debt-free capitalization factor, the company specific risk premium, selected multiples and metrics, company projections and the discount for lack of marketability. As of December 31, 2024, and 2023, the fair value per share was \$5.10 and \$15.50, respectively. Due to the circumstances identified in Note B we are not comfortable with the valuation of the Company common stock held by the Plan and have disclaimed an opinion on the financial statements as a result. The financial statements and the supplemental schedule do not include any adjustments that might result from the outcome of this uncertainty.

Mutual fund – Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

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

<u>Description</u>	2024			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual fund	\$ 27,195	\$ 27,195	\$ -	\$ -
Artist & Craftsman Supply				
Company common stock	<u>51,000</u>	<u>-</u>	<u>-</u>	<u>51,000</u>
Total investments in the fair value hierarchy	<u>\$ 78,195</u>	<u>\$ 27,195</u>	<u>\$ -</u>	<u>\$ 51,000</u>

<u>Description</u>	2023			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual fund	\$ 25,561	\$ 25,561	\$ -	\$ -
Artist & Craftsman Supply				
Company common stock	<u>155,000</u>	<u>-</u>	<u>-</u>	<u>155,000</u>
Total investments in the fair value hierarchy	<u>\$ 180,561</u>	<u>\$ 25,561</u>	<u>\$ -</u>	<u>\$ 155,000</u>

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS

The Artist & Craftsman Supply Company common stock held by the Plan is reported at fair value based upon an independent appraisal. The appraisal was based upon the income and market valuation techniques for the plan years ended December 31, 2024 and 2023 as illustrated in the following tables:

2024			
<u>Instrument</u>	<u>Fair Value</u>	<u>Principal Valuation Technique</u>	<u>Unobservable Input(s)</u>
Artist & Craftsman Supply Company common stock	\$ 51,000	Income	Weighted average cost of capital Long-term sustainable growth rate Capitalized rate Terminal Value Company specific risk premium Discount for lack of marketability
		Market	Selected range of market value
2023			
<u>Instrument</u>	<u>Fair Value</u>	<u>Principal Valuation Technique</u>	<u>Unobservable Input(s)</u>
Artist & Craftsman Supply Company common stock	\$ 155,000	Income	Weighted average cost of capital Long-term sustainable growth rate Capitalized rate Terminal Value Company specific risk premium Discount for lack of marketability
		Market	Selected range of market value

Purchases and sales of the Plan's level 3 investments during the year ending December 31, 2024, were \$0. There were no transfers into or out of level 3 investments during the year.

The valuation process involves the selection of an appraiser. Plan management accumulates the data for the appraiser from historical and projected financial information of the Company. The appraiser prepares a report of estimated per share value that a participant will receive upon distribution.

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

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS

E. NOTE PAYABLE:

On December 30, 2016, the Plan entered into a \$6,100,000 term loan with the Company. The proceeds of the loan were used to finance the purchase of 5,183.33 shares of company common stock. Unallocated shares are collateral for the loan. Shares will be released from collateral and allocated to participants when principal and interest payments are made. The note payable is due in annual installments of \$382,482, including interest at 2.26% through December 2036. In 2019, there was an indemnification amount of \$42,664 that resulted in the loan being reduced by this amount. This resulted in a change in the annual installment amount to \$379,619 until December 31, 2036. The outstanding balance of the note payable as of December 31, 2024, and 2023, was \$3,951,234 and \$4,235,139, respectively. The loan repayment for the plan year ended December 31, 2024 resulted in 259 shares being released and allocated for the plan year.

While the Company reserves the right to change the amounts and the timing of contributions to the Plan, the scheduled amortization of this Plan's loan for the next five years are as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2025	\$ 290,321
2026	296,882
2027	303,592
2028	310,453
2029	317,469
2030 and Thereafter	<u>2,432,517</u>
Total	<u>\$ 3,951,234</u>

F. RELATED-PARTY AND PARTY IN INTEREST TRANSACTIONS:

Section 3(14) of ERISA defines a party in interest to include, among others, fiduciaries or employees of the Plan, any person who provides services to the Plan or an employer whose employees are covered by the Plan. Accordingly, the management of investments held by the Trustee are considered party in interest transactions.

The Plan holds certain common stock in the Company in the aggregate amount of \$51,000 and \$155,000 at December 31, 2024 and 2023, respectively, and has indebtedness guaranteed by the Company. These are related party and party in interest transactions. Plan investments are managed by Portland Trust Company, the trustee until December 31, 2024. Effective January 1, 2025, ESOP One became the trustee for the Plan. The service providers are a party in interest under ERISA.

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS

G. TAX STATUS:

The Company adopted a restated pre-approved plan document of Transition Finance Strategies LLC, and the Internal Revenue Service ("IRS") has determined and informed the sponsor of the pre-approved plan document by a letter dated December 29, 2020 that the pre-approved plan document is designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the opinion letter, the plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believes that the Plan is qualified, and the related trust is tax-exempt.

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. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

H. ADMINISTRATION OF PLAN ASSETS:

The Plan's assets, which consist principally of shares of the Company's common stock, are held by the trustee. Company contributions are held and managed by the trustee, which invests cash received and interest and dividend income and makes distributions to participants. Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

I. PLAN TERMINATION:

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon termination of the Plan, the trustee shall pay all liabilities and expenses of the ESOP and sell shares of financed common stock held as collateral to the extent if determines such sale to be necessary to repay the loan. Subsequently, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC. In the event of plan termination, all participants will become 100% vested in their accounts.

J. 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. Market risks include global events which could impact the value of investment securities. 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.

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS

K. SUBSEQUENT EVENTS:

The Plan has evaluated subsequent events through September 22, 2025, the date these financial statements were available for issuance.

Effective May 31, 2025, the Plan was terminated. In accordance with the Plan's termination provisions, all participants of the Plan became fully vested in their account balances as of that date. As a result of the Plan termination, the Plan received a Certificate of Satisfaction effective May 20, 2025 for the notes payable that discharged the remaining liability for the Plan. Management is working to liquidate plan assets during 2025.

ARTIST & CRAFTSMAN SUPPLY EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
 EIN: 01-0486772
 Plan Number: 002

SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
 December 31, 2024

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Shares	Cost	Current value
	Federated Government Obligations Fund	27,195	\$ 27,195	\$ 27,195
*	Artist & Craftsman Supply Company common stock	10,000	<u>8,327,335</u>	<u>51,000</u>
Total investments			<u>\$ 8,354,530</u>	<u>\$ 78,195</u>

* Denotes a party-in-interest to the Plan.



Schedule H, Line 4i
Schedule of Assets (Held At End of Year)

Name of Plan:

▶ Artist & Craftsman Supply Employee Stock Ownership Plan

Employer Identification Number: ▶ 01-0486772

For plan year (beginning/ending): ▶ 1/1/24 - 12/31/24

Plan number: ▶ 002

(a)	(b) Identity of issue, 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
*	Artist & Craftsman Supply	10,000 shares of Artist & Craftsman Supply Common Stock	8,327,335	51,000
	Federated Government Obligations Fund	Mutual fund - 27,195 shares	27,195	27,195

* Indicates a Party-in-Interest