

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	314
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)	191
	6a(2)	193
	6b	21
	6c	101
	6d	315
	6e	3
	6f	318
	6g(1)	314
	6g(2)	317
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 2I 2Q

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

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

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

a Pension Schedules

- (1) **R** (Retirement Plan Information)
- (2) **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) **DCG** (Individual Plan Information) – Number Attached _____
- (5) **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) **H** (Financial Information)
- (2) **I** (Financial Information – Small Plan)
- (3) **A** (Insurance Information) – Number Attached 0
- (4) **C** (Service Provider Information)
- (5) **D** (DFE/Participating Plan Information)
- (6) **G** (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 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 TOBACCO RAG PROCESSORS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 TOBACCO RAG PROCESSORS, INC.	D Employer Identification Number (EIN) 56-2203637	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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

MORGAN STANLEY

2000 44TH ST SOUTH STE 402
FARGO, ND 58103

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
72	NONE	26547	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

**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 TOBACCO RAG PROCESSORS, INC. EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 TOBACCO RAG PROCESSORS, INC.		D Employer Identification Number (EIN) 56-2203637	

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)	1182874	1182874
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	3268	3268
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2212652	1186606
(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)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	45675000	85185000
(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	49073794	87557748
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i	11559822	10852199
j Other liabilities.....	1j	475251	444940
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	12035073	11297139
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	37038721	76260609

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)	1318929	
(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)		1318929
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	113998	
(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)		113998
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)	39510000	
(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	0
d Total income. Add all income amounts in column (b) and enter total	2d	40942927

Expenses

e Benefit payment and payments to provide benefits:		
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1249552
(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)	1249552
f Corrective distributions (see instructions)	2f	
g Certain deemed distributions of participant loans (see instructions)	2g	
h Interest expense	2h	444940
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)	26547
(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)	26547
j Total expenses. Add all expense amounts in column (b) and enter total	2j	1721039

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k	39221888
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: **FORVIS MAZARS, LLP**

(2) EIN: **44-0160260**

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.
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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>TOBACCO RAG PROCESSORS, INC. 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>TOBACCO RAG PROCESSORS, INC.</u>	D Employer Identification Number (EIN) <u>56-2203637</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): 58-1448634

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 06 / 30 / 2020 (MM/DD/YYYY) and the Opinion Letter serial number Q702684A.




Tobacco Rag Processors, Inc. Employee Stock Ownership Plan

EIN 56-2203637 PN 002

**Independent Auditor's Report, Financial Statements,
and Supplemental Schedule**

December 31, 2024 and 2023



Tobacco Rag Processors, Inc. Employee Stock Ownership Plan
Contents
December 31, 2024 and 2023

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Independent Auditor's Report

Administrative Committee
Tobacco Rag Processors, Inc. Employee Stock Ownership Plan
Wilson, North Carolina

Opinion

We have audited the financial statements of Tobacco Rag Processors, Inc. Employee Stock Ownership Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of December 31, 2024 and 2023, and the related statement of changes in net assets available for benefits for the year ended December 31, 2024, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2024 and 2023, and the changes in its net assets available for benefits for the year ended December 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the 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 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 Plan's ability to continue as a going concern for a reasonable period of time.

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

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule as of December 31, 2024, listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Administrative Committee
Tobacco Rag Processors, Inc. Employee Stock Ownership Plan

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Forvis Mazars, LLP

**Greenville, North Carolina
October 3, 2025**

Federal Employer Identification Number: 44-0160260

Tobacco Rag Processors, Inc. Employee Stock Ownership Plan
Statements of Net Assets Available for Benefits
December 31, 2024 and 2023

	2024			2023		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
ASSETS						
Investments						
Investments in common stock of Tobacco Rag Processors, Inc., at fair value	\$ 48,131,646	\$ 37,053,354	\$ 85,185,000	\$ 23,958,672	\$ 21,716,328	\$ 45,675,000
Investments in other assets	1,186,606	-	1,186,606	2,212,652	-	2,212,652
Total Investments	49,318,252	37,053,354	86,371,606	26,171,324	21,716,328	47,887,652
Receivables						
Employer contributions	-	1,182,874	1,182,874	-	1,182,874	1,182,874
Other receivables	3,268	-	3,268	3,268	-	3,268
Total Receivables	3,268	1,182,874	1,186,142	3,268	1,182,874	1,186,142
Total Assets	49,321,520	38,236,228	87,557,748	26,174,592	22,899,202	49,073,794
LIABILITIES						
Accrued interest on loan payable	-	444,940	444,940	-	475,251	475,251
Loan payable	-	10,852,199	10,852,199	-	11,559,822	11,559,822
Total Liabilities	-	11,297,139	11,297,139	-	12,035,073	12,035,073
Net Assets Available for Benefits	\$ 49,321,520	\$ 26,939,089	\$ 76,260,609	\$ 26,174,592	\$ 10,864,129	\$ 37,038,721

**Tobacco Rag Processors, Inc. Employee Stock Ownership Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2024**

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Additions to Net Assets Attributed to			
Investment Income			
Employer contributions	\$ 136,055	\$ 1,182,874	\$ 1,318,929
Net appreciation in fair value of other investment account	113,998	-	113,998
Net appreciation in fair value of Tobacco Rag Processors, Inc. common stock	20,724,841	18,785,159	39,510,000
Allocation of 20,239 shares of Tobacco Rag Processors, Inc. common stock, at fair value	<u>3,448,133</u>	<u>-</u>	<u>3,448,133</u>
Total Investment Income	<u>24,423,027</u>	<u>19,968,033</u>	<u>44,391,060</u>
Deductions to Net Assets Attributed to			
Allocation of 20,239 shares of Tobacco Rag Processors, Inc. common stock, at fair value	-	3,448,133	3,448,133
Interest expense	-	444,940	444,940
Fees	26,547	-	26,547
Benefits paid to participants	<u>1,249,552</u>	<u>-</u>	<u>1,249,552</u>
Total Deductions	<u>1,276,099</u>	<u>3,893,073</u>	<u>5,169,172</u>
Net Change	23,146,928	16,074,960	39,221,888
Net Assets Available for Benefits, Beginning of Year	<u>26,174,592</u>	<u>10,864,129</u>	<u>37,038,721</u>
Net Assets Available for Benefits, End of Year	<u>\$ 49,321,520</u>	<u>\$ 26,939,089</u>	<u>\$ 76,260,609</u>

Tobacco Rag Processors, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Note 1. Description of Plan

The following description of Tobacco Rag Processors, Inc. Employee Stock Ownership Plan (the “Plan”) provides only general information. Participants should refer to the plan document for a more complete description of the Plan’s provisions.

General

Tobacco Rag Processors, Inc. (the “Company”) established the Plan effective as of January 1, 2010. The Plan operates as a leveraged employee stock ownership plan (“ESOP”) and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code (the “IRC”) of 1986 as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The Plan is administered by an Administrative Committee (the “Committee”) consisting of employees of the Company and the related entity, Wind River Tobacco, LLC. Certain employees of the Company are the Plan’s trustees.

On May 6, 2011, the Plan purchased 500,000 shares of common stock from the Company through a loan payable to the Company (see Note 5) and holds the common stock in a trust established under the Plan. The stock was initially purchased at a price of \$165 per share, for an aggregate purchase price of \$82,500,000. As the Plan makes debt payments, an appropriate percentage of stock will be allocated to eligible employees’ accounts in accordance with applicable regulations under the IRC.

The borrowing is collateralized by the unallocated shares of common stock and is guaranteed by the Company. The Company, who sold shares to the ESOP, 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 vested and unvested rights in allocated common stock (“allocated”), and
- (B) common stock not yet allocated to employees (“unallocated”).

Administration of Plan Assets

The Plan invests in the Company’s common stock as of December 31, 2024 and 2023, which is held by the Company. Company contributions are managed by the trustees, who invest cash received and interest income and make distributions to participants. The trustees also administer the payment of interest and principal on the loan. The Plan also invests in corporate bonds and a money market fund that is administered by a third-party trustee.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants would become 100% vested in their accounts. Upon termination of the Plan, the Committee shall direct the trustees to pay all liabilities and expenses of the trust fund and to sell shares of financed common stock held in the loan suspense account to the extent it determines such sale to be necessary in order 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.

Tobacco Rag Processors, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Eligibility

Employees who have attained age 21 and completed one full year of credited service with at least 1,000 hours of service, as defined in the plan document, are eligible to enter the Plan in January, April, July, or October after such requirements are met. Participants who do not meet these criteria and are not employed on the last working day of the plan year are generally not eligible for an allocation of Company contributions for such year.

Employees who are covered by a collective bargaining agreement whose terms specifically do not provide for participation in the Plan, leased employees, and nonresident aliens with no United States source income from the Company are not eligible to participate in the Plan.

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 enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan.

The Company may also contribute additional cash or Company common stock during the Plan year and allocate to eligible participants on a pro rata basis. During 2024, the Company contributed \$1,318,929 to the Plan. Employee contributions are not permitted.

Participants' Accounts and Forfeitures

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released by the trustees from the unallocated account and forfeitures of terminated participants' nonvested accounts. Only those participants who are eligible employees of the Company as of the last day of the plan year will receive an allocation.

Prior to the ESOP Loan Modification Agreement (the "Modification Agreement") (see Note 5), allocations of shares released with each loan payment were based on a participant's beginning share account balance to the total beginning shares released. Effective December 14, 2015, such allocations are based on a participant's eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance to the total of all account balances.

Each participant's account is credited with (a) investment earnings, (b) employer contributions, if any, (c) distributions under IRC Section 1368(a) on S Corporation stock, (d) a reallocation of forfeitures of terminated participants' nonvested accounts, and (e) shares repurchased from vested terminated employees.

Allocation of any earnings or losses (excluding dividends) and shares repurchased from vested terminated employees is based on the participants' nonsegregated accounts, other than the participants' Company stock accounts, to the total of all participants' nonsegregated accounts as of the allocation date before the current period allocation of employer contributions and forfeitures. Allocation of dividends and distributions under IRC Section 1368(a) on S Corporation stock is based on the total of the participant's Company stock account to the total of all participants' and former participants' Company stock accounts as of the cash dividend or distribution date.

The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Forfeitures of terminated nonvested account balances that were allocated to remaining participants were approximately 310 repurchased shares of common stock during 2024.

Tobacco Rag Processors, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Vesting

Each participant has a nonforfeitable and fully vested interest in his or her account upon the attainment of normal retirement age, death, or disability prior to termination of employment. All other employees are fully vested after six years of vesting service.

Payment of Benefits

For participants who voluntarily terminate their employment with the Company for reasons other than retirement, disability, or death, distribution of the participant's account shall commence at the end of the sixth plan year following the plan year in which service is terminated, and payments shall be made in five annual installments. Upon a participant's retirement, disability, or death, distribution of the participant's account shall commence at the end of the plan year following the plan year in which such event occurs. If the balance of the participant's account is greater than \$10,000, the distribution will be made in five annual installments. Otherwise, the balance will be paid in full in the following plan year.

Participants will generally receive payment of the vested account balance by (1) a lump-sum payment if the amount is \$10,000 or less no later than the end of the first plan year following the plan year in which the participant terminates employment, or (2) payments of annual installments over a period not to exceed five years if the balance is greater than \$10,000, unless the vested balance exceeds \$985,000, in which case the period is extended by one year for each additional \$195,000 (or fraction thereof), not to exceed five additional years. The amount to be distributed is based on the account valuation date immediately preceding the distribution. Distributions to participants will be made in cash.

Under the provisions of the Plan, the Company is obligated to repurchase participant shares, which have been distributed under the terms of the Plan, if the shares are not publicly traded or if the shares are subject to trading limitations.

Voting Rights

Each participant is entitled to direct the trustees as to the manner in which voting rights of the shares of Company stock which are allocated to the Company stock account of such participant are to be exercised with respect to any corporate matters that are subject to direction by a participant. The Committee directs the trustees as to the manner of voting any Company stock (a) allocated to a Company stock account of a participant with respect to such matters as to which no voting instructions have been timely received, (b) contributed to the trust but not yet allocated to participants' Company stock accounts, (c) held in the suspense account, and (d) held by the Plan with respect to all corporate matters which involve the voting of such Company stock, other than those matters that are subject to direction by a participant.

Put Options

Under federal income tax regulations, the Company stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Tobacco Rag Processors, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into other investments within another plan of the Company, which are more diversified. Participants who are at least age 55 with at least ten years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of shares 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.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Estimates

The preparation of financial statements in accordance with U.S. GAAP requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Allocations

The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to (a) the accounts of employees with rights in common stock ("allocated"), and (b) common stock not yet allocated to employees ("unallocated"), including common stock that is committed to be released.

Investment Valuation and Income Recognition

Investments are reported at fair value. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded as of the ex-dividend date. Any dividend not received in cash as of year-end is reflected in the financial statements as a receivable. Net appreciation/depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Common stock of the Company is not traded in the open market and thus quoted market values for this security are not available. For valuation and distribution purposes, the Company and members of the Committee engage an independent third party to appraise and value the common stock each year. The Company has the right to purchase any shares offered for sale by plan participants for a price not to exceed the valuation price established by the annual appraisal.

Payment of Benefits

Benefits are recorded upon distribution.

Administrative Expenses

The Plan's administrative expenses are paid either by the Plan or the Company, as provided in the plan document. Expenses of maintaining the Plan that are paid directly by the Company are excluded from these financial statements. Certain administrative functions are performed by employees of the Company. No such employee receives compensation from the Plan.

Tobacco Rag Processors, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Subsequent Events

The Company has evaluated subsequent events through October 3, 2025, the date the financial statements were available to be issued.

Note 3. Fair Value Measurements

Fair value, as defined under U.S. GAAP, is an exit price representing 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. U.S. GAAP establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value. These tiers include:

- Level 1** Observable inputs such as quoted prices in active markets.
- Level 2** Inputs other than quoted prices in active markets that are either directly or indirectly observable.
- Level 3** Unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Plan's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

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

Corporate Bonds

Corporate bonds are publicly traded investments and are valued daily at the closing price reported on the active market on which the funds are traded.

Money Market Fund

Valued at the daily closing price as reported by the fund, and registered with the Securities and Exchange Commission. The fund is required to publish its daily net asset value and to transact at that price. The fund is deemed to be actively traded.

Common Stock

The Company's common stock is valued at the price per share which is calculated based upon a third-party valuation of the fair market value of the Company's common stock assuming a non-marketable, majority ownership interest by the Plan. This valuation was based upon the discounted cash flow method to value the Company from an income approach, and the guideline company method to value the Company from a market approach.

The income approach is based on the premise that the value of an investment is a function of the income that will be generated by that asset over its expected life. This income stream can be examined on an historical basis and capitalized to arrive at a value estimate, or it can be projected into the future and discounted to its present value. The market approach examines actual sales of similar assets to estimate value, utilizing pricing multiples of publicly traded companies that are comparable to the Company. The valuation specialist took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables, and estimated fair value of Company assets and liabilities. Plan management has concluded that a market participant would also require a discount for lack of marketability. Since the value of the Company's common stock is not based on observable inputs, it is classified as level 3 within the valuation hierarchy.

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The valuation process involves plan management’s selection of an independent appraiser, under contract, with the right to cancel such contract at any time. Plan management accumulates the data for the appraiser from the audited financial statements of the Company and provides the projections for future Company operations. The appraiser prepares a report of estimated per share value that a participant will receive upon distribution. The trustees, along with plan management, review the inputs and assumptions utilized by the appraiser to arrive at the per share value, compare such information to known financial and nonfinancial metrics of the Company, and discuss with the appraiser any discrepancies or issues that may arise. Once complete, the trustees and plan management approve the estimated per share price.

The following tables set forth by level within the fair value hierarchy the Plan’s assets accounted for at fair value on a recurring basis as of December 31, 2024 and 2023.

	December 31, 2024			
	Fair Value Measurements Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobserv- able Inputs (Level 3)	
	Fair Value			
Corporate Bonds	\$ 1,106,145	\$ 1,106,145	\$ -	\$ -
Money market fund	80,461	80,461	-	-
Tobacco Rag Processors, Inc., Common stock	<u>85,185,000</u>	<u>-</u>	<u>-</u>	<u>85,185,000</u>
Investments at fair value	<u>\$ 86,371,606</u>	<u>\$ 1,186,606</u>	<u>\$ -</u>	<u>\$ 85,185,000</u>

	December 31, 2023			
	Fair Value Measurements Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobserv- able Inputs (Level 3)	
	Fair Value			
Corporate Bonds	\$ 2,181,002	\$ 2,181,002	\$ -	\$ -
Money market fund	31,650	31,650	-	-
Tobacco Rag Processors, Inc., Common stock	<u>45,675,000</u>	<u>-</u>	<u>-</u>	<u>45,675,000</u>
Investments at fair value	<u>\$ 47,887,652</u>	<u>\$ 2,212,652</u>	<u>\$ -</u>	<u>\$ 45,675,000</u>

There were no purchases and no transfers in or out of Level 3 assets for the year ended December 31, 2024.

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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.

Note 4. Nonparticipant Directed Investments

The Plan's investments, as of December 31, are presented in the following table:

	<u>2024</u>		<u>2023</u>	
	<u>Allocated</u>	<u>Unallocated</u>	<u>Allocated</u>	<u>Unallocated</u>
Tobacco Rag Processors, Inc. common stock*:				
Shares released	262,273	217,488	242,034	237,727
Shares committed to be released	<u>20,239</u>	<u> </u>	<u>20,239</u>	<u> </u>
Total shares	<u>282,512</u>	<u>217,488</u>	<u>262,273</u>	<u>237,727</u>
Cost	<u>\$ 46,614,554</u>	<u>\$ 35,885,446</u>	<u>\$ 43,275,105</u>	<u>\$ 39,224,895</u>
Estimated fair value	<u>\$ 48,131,646</u>	<u>\$ 37,053,354</u>	<u>\$ 23,958,672</u>	<u>\$ 21,716,328</u>
Money market fund*	<u>\$ 1,186,606</u>	<u>\$ </u>	<u>\$ 2,212,652</u>	<u>\$ </u>

*Nonparticipant directed

The estimated fair value of the Company's common stock as of December 31, 2024 and 2023, was \$170.37 and \$91.35 per share, respectively.

Note 5. Loan Payable

In May 2011, the Plan entered into an \$82,500,000 loan agreement with the Company (the "Company Loan"). The proceeds of the Company Loan were used to purchase 500,000 shares (100%) of the Company's common stock. Unallocated shares are collateral for the loan. Shares are released from collateral and allocated to participants as annual principal payments on the Company Loan are made through May 2036. Through December 13, 2015, annual payments of \$5,334,649, including interest at 4.1% per annum, were made. Effective December 14, 2015, the Plan entered into a Modification Agreement with the Company to provide an appropriate benefit level to all Plan participants and ensure shares of the Company stock are available to future participants. The Modification Agreement reduced the remaining principal balance to \$15,940,816, with annual principal and interest payments through May 2035 of \$1,182,874 and a final payment in May 2036 of \$832,212, including interest at 4.1% per annum.

Committed-to-be-released shares are shares that, although not legally released, will be released by a future scheduled and committed debt service payment and will be allocated to employees for service rendered in the current accounting period. The period of employee service to which shares relate is defined in the Plan document. Shares are legally released from suspense and from serving as collateral on the loan payable as a result of payment of debt service. Those shares are required to be allocated to participant accounts as of the end of the Plan year.

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The number of shares released in any year is the number of shares held as collateral, multiplied by the ratio of the current year committed principal and interest payments, divided by (1) the total of the current year committed principal and interest payments, plus (2) all future years' principal and interest payments. This resulted in 20,239 and 20,239 shares being committed to be released and allocated for the plan years ended December 31, 2024 and 2023.

Future estimated minimum loan payments are as follows for the years ending December 31:

2025	\$	737,934
2026		768,189
2027		799,685
2028		831,512
2029		866,564
Thereafter		<u>6,848,315</u>
	\$	<u>10,852,199</u>

Note 6. Related Party and Party in Interest Transactions

The Plan invests in the Company's common stock and has indebtedness with the Company. Transactions related to this investment qualify as related party and party in interest transactions that are allowable under ERISA.

Certain plan investments are managed by Morgan Stanley. Fees paid to Morgan Stanley by the Plan for administrative and investment management services were \$26,547 for the year ended December 31, 2024. These transactions qualify as exempt party-in-interest transactions.

The Company provides certain accounting, administrative, and investment management services to the Plan for which no fees are charged.

Note 7. Income Tax Status

The Plan has not obtained a determination letter from the Internal Revenue Service (the "IRS") stating that the Plan was in compliance with the applicable requirements of the IRC. The Plan is relying on the IRS approval of the pre-approved plan that it is utilizing. The IRS has determined and informed the document sponsor by a letter dated June 30, 2020 that the pre-approved plan document was designed in accordance with applicable sections of the IRC. The Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, the Plan administrator believes that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that, as of December 31, 2024 and 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 8. Risks and Uncertainties

The Plan invests in 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. Additionally, the securities risk is concentrated into a single company and future changes involved are largely dependent on the future performance of the Company. Due to the level of risk associated with the investment in the common stock, it is at least reasonably possible that changes in the values of investment securities 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 available for benefits.

Supplemental Schedule

Tobacco Rag Processors, Inc. Employee Stock Ownership Plan
EIN 56-2203637 PN 002
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
Year Ended December 31, 2024

(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
*	Common Stock	Tobacco Rag Processors, Inc. common stock 500,000 shares	\$ 82,500,000	\$ 85,185,000
	Corporate Bonds	Edison International	98,918	100,970
		Ryder System Inc	98,510	100,162
		Citigroup Inc	4,912	4,999
		Flex Ltd	98,512	100,030
		Westinghouse Air Brake Technologies Corp	96,299	99,295
		Netapp Inc	94,501	98,521
		Viatis Inc	94,055	98,455
		Pacific Gas and Electric Co	96,177	100,945
		Harley-Davidson Inc	96,296	100,513
		Autonation Inc	97,466	100,704
		Block Financial LLC	99,004	101,401
		Capital One Financial Group	96,689	100,150
			<u>1,071,339</u>	<u>1,106,145</u>
	Money Market Fund		<u>80,461</u>	<u>80,461</u>
			<u>\$ 83,651,800</u>	<u>\$ 86,371,606</u>

* *Identifies party-in-interest.*