

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

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).

2024

Department of Labor Employee Benefits Security Administration

Complete all entries in accordance with the instructions to the Form 5500.

Pension Benefit Guaranty Corporation

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

- A This return/report is for: [] a multiemployer plan [] a multiple-employer plan... [X] a single-employer plan [] a DFE... B This return/report is: [] the first return/report [] the final return/report... C If the plan is a collectively-bargained plan... D Check box if filing under: [X] Form 5558 [] automatic extension... E If this is a retroactively adopted plan...

Part II Basic Plan Information—enter all requested information

1a Name of plan: CHOATE CONSTRUCTION COMPANY EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 002
1c Effective date of plan: 01/01/2016
2a Plan sponsor's name: CHOATE CONSTRUCTION COMPANY
2b Employer Identification Number (EIN): 58-1851823
2c Plan Sponsor's telephone number: 678-892-1200
2d Business code: 236200

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.

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	691
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)	494
	6a(2)	463
	6b	45
	6c	199
	6d	707
	6e	2
	6f	709
	6g(1)	653
	6g(2)	707
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 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

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

b General Schedules

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

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<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 CHOATE CONSTRUCTION COMPANY EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 CHOATE CONSTRUCTION COMPANY	D Employer Identification Number (EIN) 58-1851823

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.

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)	12710864
(2) Participant contributions	1b(2)	
(3) Other	1b(3)	36031754
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	29502608
(2) U.S. Government securities	1c(2)	6960809
(3) Corporate debt instruments (other than employer securities):		
(A) Preferred	1c(3)(A)	
(B) All other	1c(3)(B)	5276463
(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)	0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	
(15) Other.....	1c(15)	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	359200000	457600000
(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	407968435	548082498
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i	53395572	50254656
j Other liabilities.....	1j	2137229	0
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	55532801	50254656
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	352435634	497827842

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)	17823262	
(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)		17823262
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)	36031754	
(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)		36031754
(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)	98400000	
(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)		2386354
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		154641370

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	7835657	
(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)		7835657
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		1413505
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		9249162

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		145392208
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: **HLB GROSS COLLINS, P.C.**

(2) EIN: **58-1367012**

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>CHOATE CONSTRUCTION COMPANY 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>CHOATE CONSTRUCTION COMPANY</u>	D Employer Identification Number (EIN) <u>58-1851823</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 ___/___/___ (MM/DD/YYYY) and the Opinion Letter serial number _____.

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

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INDEPENDENT AUDITORS' REPORT

To the Trustee of

Choate Construction Company Employee Stock Ownership Plan

Opinion

We have audited the accompanying financial statements of

CHOATE CONSTRUCTION COMPANY EMPLOYEE STOCK OWNERSHIP PLAN

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Choate Construction Company Employee Stock Ownership 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Choate Construction Company Employee Stock Ownership Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note (8), the carrying value of the investment in the Plan Sponsor Company common stock is based upon an independent appraisal. The investment in this stock is exposed to various risks and is subject to changes that could occur in the near term. Such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits. Our opinion is not modified with respect to that 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 Choate Construction Company Employee Stock Ownership Plan's ability to continue as a going concern for one year after the date 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.

Auditors' 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 auditors' 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 accounting standards generally accepted in the United States of America 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 economic judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with accounting standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Choate Construction Company Employee Stock Ownership Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Choate Construction Company Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the 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, Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to 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 auditing standards generally accepted in the United States of America.

In forming our opinion on Supplemental Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year), we evaluated whether Supplemental Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year), including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying Supplemental Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year), 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.

HLB GROSS COLLINS, P.C.

Atlanta, Georgia
October 9, 2025

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2024 and 2023

	ASSETS					
	2024			2023		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
INVESTMENTS AT FAIR VALUE						
Sponsor Company common stock, at fair value (Notes 7 and 8)	\$ 337,318,639	\$ 120,281,361	\$ 457,600,000	\$ 257,795,595	\$ 101,404,405	\$ 359,200,000
Interest bearing cash (Note 8)	29,502,608	-	29,502,608	3,760,478	-	3,760,478
U.S. government and agency securities (Note 8)	6,960,809	-	6,960,809	44,234,047	-	44,234,047
Corporate debt instruments (Note 8)	5,276,463	-	5,276,463	773,910	-	773,910
TOTAL INVESTMENTS AT FAIR VALUE	<u>379,058,519</u>	<u>120,281,361</u>	<u>499,339,880</u>	<u>306,564,030</u>	<u>101,404,405</u>	<u>407,968,435</u>
EMPLOYER CONTRIBUTIONS RECEIVABLE (Note 4)	12,710,864	-	12,710,864	-	-	-
DIVIDEND RECEIVABLE (Note 4)	36,031,754	-	36,031,754	-	-	-
TOTAL ASSETS	<u>427,801,137</u>	<u>120,281,361</u>	<u>548,082,498</u>	<u>306,564,030</u>	<u>101,404,405</u>	<u>407,968,435</u>
	LIABILITIES					
NOTES PAYABLE (Note 9)	-	50,254,656	50,254,656	-	53,395,572	53,395,572
OTHER PAYABLE (Note 8)	-	-	-	2,137,229	-	2,137,229
TOTAL LIABILITIES	<u>-</u>	<u>50,254,656</u>	<u>50,254,656</u>	<u>2,137,229</u>	<u>53,395,572</u>	<u>55,532,801</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 427,801,137</u>	<u>\$ 70,026,705</u>	<u>\$ 497,827,842</u>	<u>\$ 304,426,801</u>	<u>\$ 48,008,833</u>	<u>\$ 352,435,634</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31, 2024

	Allocated	Unallocated	Total
ADDITIONS TO NET ASSETS ATTRIBUTED TO:			
INVESTMENT INCOME			
Net appreciation in estimated fair value of Sponsor Company common stock (Note 8)	\$ 70,621,065	\$ 27,778,935	\$ 98,400,000
Net appreciation in estimated fair value of Other investments	2,386,354	-	2,386,354
Dividends from Sponsor Company	36,031,754	-	36,031,754
TOTAL INVESTMENT INCOME	109,039,173	27,778,935	136,818,108
EMPLOYER CONTRIBUTIONS (Note 4)	13,268,841	4,554,421	17,823,262
ALLOCATION OF 155,629 SHARES OF SPONSOR COMPANY STOCK AT FAIR VALUE			
TOTAL ADDITIONS TO NET ASSETS	131,209,993	32,333,356	163,543,349
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:			
BENEFITS PAID TO PARTICIPANTS	7,835,657	-	7,835,657
INTEREST EXPENSE	-	1,413,505	1,413,505
ALLOCATION OF 155,629 SHARES OF SPONSOR COMPANY STOCK AT FAIR VALUE			
TOTAL DEDUCTIONS FROM NET ASSETS	7,835,657	10,315,484	18,151,141
NET INCREASE IN PLAN NET ASSETS	123,374,336	22,017,872	145,392,208
NET ASSETS AVAILABLE FOR BENEFITS:			
BEGINNING OF YEAR	304,426,801	48,008,833	352,435,634
END OF YEAR	\$ 427,801,137	\$ 70,026,705	\$ 497,827,842

The accompanying Notes to Financial Statements are an integral part of these statements.

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(1) Description of the Plan

The following description of Choate Construction Company Employee Stock Ownership Plan (the "Plan" or "ESOP") is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information on the provisions of the Plan.

General - Choate Construction Company (the "Plan Sponsor" or "Sponsor Company" or "Company") established the Plan effective as of January 1, 2016. The Plan is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code ("IRC") of 1986, as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan is administered by a designated Committee (the "Committee") comprising of persons appointed by the Company's Board of Directors. The Committee acts as the Plan administrator and as the Plan's agent for service of legal process. The Plan entered into a trust agreement, with an appointed Trustee, effective January 1, 2016. The Board of Directors has engaged the Trustee to serve as the Trustee of the Company Employee Stock Ownership Trust ("ESOT"). The Plan was subsequently amended and restated in 2022 to change the participant eligibility age from 21 to 18. The plan was amended and restated in 2023. The plan was subsequently amended in 2024 to update a provision related to allocation to participants and update the exchange provisions.

On December 9, 2016, the ESOT purchased from the selling shareholders 8,000,000 shares of the Company's voting common stock, representing 80% of the Company's outstanding stock ("ESOP Shares"), for a purchase price of \$198,000,000 (or \$24.75 per share) (the "Purchase Price").

On December 14, 2016, the Company redeemed 2,000,000 shares of voting common stock then held by the selling shareholders, which represented 20% of the Company's fully diluted equity, in exchange for 26,667 shares of non-voting common stock, which represented 0.20% of the Company's fully diluted equity; and warrants to acquire 5,306,667 shares of voting common stock which represented 39.80% of the Company's fully diluted equity.

In connection with the ESOT purchase of shares, the Company obtained \$80,000,000 in debt financing from outside senior lender financial institutions. The debt consists of a \$45,000,000 term loan and a revolving line of credit with maximum borrowings of \$40,000,000. The Company loaned to the ESOT a portion of the balance of the bank loan proceeds, totaling \$57,000,000 ("Company Loan"). The ESOT used the proceeds from the Company loan to pay the selling shareholders cash for a portion of the purchase price. The loan has a 25-year term and requires annual payments of principal and interest. Interest is payable at a rate equal to the long term applicable federal rate. It is secured by a pledge of the ESOP shares the ESOT acquired with the proceeds of the internal loan. During the year ended December 31, 2022, the Company loan was paid off.

For the remainder of the purchase price, the ESOT issued to the selling shareholders promissory notes ("Seller Notes") in the total amount of \$141,000,000. The notes had a 25-year term and required interest only payments for the first 7 years, and equal principal payments of \$7,833,333 over the remaining term. Interest was payable at a rate equal to 4.00%. It was secured by a pledge of the ESOP shares the ESOT acquired with the proceeds of the seller notes and the Company's guarantee. It was subordinated to the \$45,000,000 term loan and \$40,000,000 line of credit. The loan was scheduled to mature on December 31, 2040.

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(1) Description of the Plan (continued)

As part of financing the transaction, the Company agreed to refinance the Seller Notes. On December 1, 2017, the ESOP and the Company entered into a new loan and pledge agreement (the "Seller Refinanced (Internal) ESOP Loan and Pledge Agreement") for a non-recourse loan (the "Seller Refinanced (Internal) ESOP Loan") from the Company to the ESOT in the amount equal to the unpaid balance of the Seller Loan the Company assumed, which was \$141,000,000. The loan consists of twenty-four equal annual principal payments in the amount of \$5,875,000, plus accrued interest, starting on December 31, 2017. Interest is payable at a rate equal to 2.64%. The loan matures on December 31, 2040. As security for the performance of its obligation, the ESOT pledged to the Company the ESOP shares that the ESOT acquired with the proceeds of the Seller Loan.

The stock is held in a trust established under the Plan. The Company Loan and the Seller Notes have to be repaid over a period of twenty five years through Company contributions to the Trust. As the Plan makes each payment of principal, an appropriate percentage of stock will be allocated to eligible participants' accounts in accordance with applicable regulations under the Internal Revenue Code ("IRC").

The borrowing is collateralized by the unallocated shares of stock and is guaranteed by the Company. The lender has no rights against the shares once they are allocated under the provisions of the Plan. 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 (1) the accounts of participants with vested rights in allocated stock ("Allocated") and (2) common stock not yet allocated to participants ("Unallocated"), including shares that are committed to be released from collateral and allocated to participants when principal and interest payments are made.

Eligibility - Employees of the Company are generally eligible to participate in the Plan after one year of service and have attained the age of 18. In addition, except in the case of death, disability, or retirement, a participant will share in the allocation of contributions and forfeitures only if the participant is still employed on the last day of the Plan year and has completed at least 1,000 hours of service during that Plan year.

Contributions - The Company may make contributions at the option of the Company's Board of Directors. All contributions may be paid to the Trust in cash or in whole shares of the Company stock. The Company's contributions made for any taxable year may not, unless the Company's Board of Directors specifies otherwise, exceed an amount equal to the maximum amount deductible by the Company on account of these contributions for federal income tax purposes for that taxable year, and at a minimum, the amount necessary to enable the Plan to make its regulatory scheduled loan payments.

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(1) Description of the Plan (continued)

Participant accounts - The Plan is a defined contribution retirement plan under which a separate individual account is established for each participant. Each participant's account is credited with an allocation of shares of the Company's common stock released by the Trustee from the unallocated account and forfeitures of terminated participants' non vested accounts. Only those participants who are eligible employees of the Company as of the last day of the plan year will receive an allocation. Allocation of the Company contributions will be based on a participant's eligible total compensation, relative to total compensation of all eligible participants for that Plan year.

Vesting - If a participant's employment with the Company ends for any reason other than retirement, permanent disability or death, he or she will vest in the balances in his or her account based on total years of service with the Company. A participant's vested interest is determined in accordance with the following schedule: 20% vested after 2 years of service, 40% after 3 years, 60% after 4 years, 80% after 5 years and 100% after 6 or more years. A participant is considered 100% vested if the participant has obtained 6 years of credited service, incurs total and permanent disability while with the Company, dies while employed with the Company, or after reaching the normal retirement age as defined by the Plan agreement.

Forfeitures - Employer contributions and Plan forfeitures are allocated to each participant's account based upon the relation of the participant's compensation to total compensation for the Plan year. Forfeitures of terminated participants' non-vested accounts may be used to restore forfeitures to participants' accounts who are re-employed in the Plan year and any remaining excess may be used to reduce future Company contributions. Forfeitures of non-vested accounts are suspended and are reallocated to remaining participant accounts as though they were part of the contribution made by the Company in the Plan year in which they are released.

Payment of benefits - No distribution from the Plan will be made until a participant retires, becomes totally and permanently disabled, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company. All distributions are to be made in cash or in Company stock (if at the time any benefit is scheduled to be distributed under the Plan the Company is an S Corporation), as determined by the Committee in its discretion. Benefits are recorded when paid. The participant's account that is distributable will be made to or for the benefit of the participant, or in the event of his or her death, to or for the benefit of his or her beneficiary, in one or more of the following forms, as determined by the Benefits Committee in distribution policy:

- (a) in a single sum if the vested account balance is \$7,000 in 2024 and \$5,000 in 2023, or less.

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(1) Description of the Plan (continued)

- (b) in a series of up to five annual installments if the vested account balance exceeds \$7,000 in 2024 and \$5,000 in 2023; provided, however, if the vested balance of the participant's account, as of the accounting date immediately preceding the date distribution of his or her account is to commence, exceeds amount provided for under Section 409(o)(1)(C)(ii), the five-year installment period can be extended by one year for each amount provided for under Section 409(o)(1)(C)(ii) (as adjusted) (or fraction thereof) by which such account balance exceeds amount provided for under Section 409(o)(1)(C)(ii) (as adjusted), but not to exceed five additional years. The dollar limits in this subsection will be adjusted at the same time and in the same manner as adjustments under Code §415(d) are required to be made.

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, as described in the Plan document. Each active participant who has attained age 55 and has at least ten years of participation in the Plan may elect during each of the participant's qualified election periods to diversify up to 25% of the qualified participant's ESOP stock account balance eligible for diversification. With respect to the last year of the qualified election period, 50% will be substituted for 25% in determining the amount subject to the diversification election. The right to diversify shares expires when not exercised within the time frame specified in the Plan document.

Put option - Under Federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is the 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 participants have the ability to ultimately obtain cash.

Plan termination - The Company intends to continue the Plan indefinitely for the benefit of its current participants but reserves the right to amend, modify, or terminate the Plan at any time or for any reason subject to the terms of ERISA. In the event the Plan is terminated, participants will become 100% vested in their accounts, and the Plan Committee shall direct the Trustee to pay all liabilities and expenses and sell any shares to the extent it determines such sale to be necessary in order to repay the loan.

Voting rights - Each participant is entitled to exercise voting rights attributable to the shares in his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. If the Trustee does not receive instructions from a participant or beneficiary, the Trustee shall vote in its discretion the shares of the Company stock with respect to which no such instructions were received. The Trustee is required, in certain matters, to vote Company stock, whether or not such Company stock is allocated, on behalf of the collective best interest of Plan participants and beneficiaries.

Basis of accounting - The financial statements of the Plan are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(2) Summary of significant accounting policies

Cash and cash equivalents - For the purpose of the financial statements, liquid instruments with an original maturity of three months or less are considered cash equivalents.

Estimates - The preparation of the financial statements in conformity with U.S. GAAP requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may 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 allocated stock ("Allocated") and (b) stock not yet allocated to employees ("Unallocated"), including shares that are committed to be released as of the last day of each Plan year. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

Investment valuation and income recognition - The Company's common stock is stated at estimated fair value. The fair value is determined annually by an independent appraisal. All other investments are reported at fair value based on the quoted market prices of the underlying securities within each fund at the Plan's year end, as fully disclosed in Note (8).

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Investment income - Investment income consists of interest, dividends, and net appreciation in estimated fair value of investments. Net appreciation in the estimated fair value of investments includes the Plan's gains (losses) in the change in fair value of the Company's common stock and other investments during the Plan year.

Risks and uncertainties - The Plan's investments consist primarily of the Company's common stock which is exposed to various risks, including interest rate, market, and credit risks, as well as valuation assumptions based on earnings and cash flows. Market risks include global events which could impact the value of the Company's common stock, such as a pandemic or international conflict. Due to the level of risk associated with such investments and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the values of the investments 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.

Payment of benefits - Benefits are recorded when paid.

Administrative expenses - All usual and reasonable expenses of the Plan, including expenses incurred by the Committee, may be paid by the Trustee out of the principal or income of the trust unless the Company elects to pay any or all such expenses. To the extent expenses are paid by the Trustee from the trust, the Committee may allocate those expenses to an individual participant's account in accordance with nondiscriminatory rules established by the Committee and communicated to participants. There were no administrative expenses paid by the plan for the year ended December 31, 2024.

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(2) Summary of significant accounting policies (continued)

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

(3) Tax status

The Plan received a favorable determination letter from the Internal Revenue Service (“IRS”) on March 8, 2018. The Plan administrator and the Plan’s tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC and therefore believe that the Plan is qualified and the related trust is tax-exempt. Therefore, no provision for income taxes has been included in the Plan’s financial statements.

U.S. 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 tax 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 tax positions taken or expected to be taken that would require recognition of a liability (or asset) 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.

(4) Employer contributions and dividends

The Company is obligated to make cash contributions 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 regulatory scheduled payments of principal and interest due on its notes payable, as discussed in Note (9). In 2024, the Board of Directors authorized a cash contribution of \$17,823,262, of which \$3,140,916 was applied to principal payments, \$1,413,505 was applied to interest payments, and \$13,268,841 was contributed in cash used to buy the shares allocated to the inactive participants and fund distributions. The Plan used part of the cash proceeds to pay \$7,835,657 additional distributions during 2024. The employer contributions receivable as of December 31, 2024 and 2023 were \$12,710,864 and \$-0-, respectively.

In 2024 and 2023, the Board of Directors authorized \$36,031,754 and \$11,587,141, respectively in dividends. In 2024 and 2023, the proceeds from the dividends were used to buy the shares allocated to the inactive participants and fund distributions. The dividend receivable as of December 31, 2024 and 2023 were \$36,031,754 and \$-0-, respectively.

(5) Administration of the Plan assets

The Plan’s assets are held by the Trustee of the Plan.

Company contributions are held and managed by the Trustee, which invests cash received and makes distributions to participants. The Trustee also administers the payment of interest and principal on the loan through Company contributions. These transactions qualify as party-in-interest transactions as disclosed in Note (10).

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(5) Administration of the Plan assets (continued)

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

(6) Fidelity bond coverage

ERISA Code Section 412 requires the Company to maintain fidelity bond coverage in an amount equal to the lesser of 10% of the total funds in the Plan as of the preceding plan year or \$1,000,000. The Plan had sufficient bond coverage as of December 31, 2024 and 2023.

(7) Investments

The Plan's investments in the Plan Sponsor Company common stock as of December 31, 2024 and 2023 are as follows:

	2024		
	Allocated	Unallocated	Total
Investments in Plan Sponsor stock:			
Number of shares	5,897,179	2,102,821	8,000,000
Cost	\$ 145,955,180	\$ 52,044,820	\$ 198,000,000
Fair value	\$ 337,318,639	\$ 120,281,361	\$ 457,600,000
	2023		
	Allocated	Unallocated	Total
Investments in Plan Sponsor stock:			
Number of shares	5,741,550	2,258,450	8,000,000
Cost	\$ 142,103,363	\$ 55,896,637	\$ 198,000,000
Fair value	\$ 257,795,595	\$ 101,404,405	\$ 359,200,000

On December 9, 2016, the Plan acquired 8,000,000 shares of Choate Construction Company stock for \$198,000,000 at a value of \$24.75 a share. The shares were acquired in a leveraged transaction involving an ESOP loan. The appraised value per share was \$57.20 and \$44.90 as of December 31, 2024 and 2023, respectively.

(8) Fair value measurements

FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework 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 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). 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.

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(8) Fair value measurements (continued)

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.

The asset's 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

Interest bearing cash, U.S. government securities, municipal obligations, corporate bonds: These investments consist of various traded certificates of deposit, money market funds, government bonds, treasury bills, corporate bonds, municipal bonds, corporate and fixed income mutual funds. The fair values are based on quoted market prices in active markets and therefore classified as Level 1 investments.

U.S. agency securities: These investments consist of short term bonds issued by agencies of government-sponsored enterprises. These securities are valued by benchmarking model-derived prices to quoted market prices and trade data for comparable instruments and therefore classified as Level 2 investments.

Corporate collateralized obligations: These collateralized obligations consist of debt instruments backed by pools of assets such as loans, bonds, or pools of mortgage backed securities. These investments are valued using observable market data and observable inputs and therefore classified as Level 2 investments.

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(8) Fair value measurements (continued)

Plan Sponsor Company common stock: The fair value of the Plan Sponsor Company common stock held by the ESOP is valued by the Trustee at estimated fair value based upon an annual independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques. The market approach provides an objective indication of value based on comparison to similar companies or equity interests. Based on the income approach, the indicated value is the present value of future benefits (usually earnings, cash flows, or dividends). The income approach is based on the discounted cash flow method and projected financial results provided by management. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables and estimated fair value of the Company assets and liabilities. The fair value of the Sponsor Company common stock is based on unobservable inputs and is therefore classified as Level 3 of the fair value hierarchy. The investment in this stock is exposed to various risks, such as volatility in the construction industry and lack of marketability, and it is reasonably possible that changes in the value could occur in the near term and that such changes could materially affect the participants' account balances and the amounts reported in the statements of net assets available for benefits.

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

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(8) Fair value measurements (continued)

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

	2024			
	Level 1	Level 2	Level 3	Total
Interest bearing cash	\$ 29,502,608	\$ -	\$ -	\$ 29,502,608
U.S. government securities	5,123,657	-	-	5,123,657
U.S. agency securities	-	1,837,152	-	1,837,152
Corporate collateralized obligations	-	3,325,578	-	3,325,578
Corporate bonds	1,950,885	-	-	1,950,885
Plan Sponsor Company common stock	-	-	457,600,000	457,600,000
Total assets at fair value	<u>\$ 36,577,150</u>	<u>\$ 5,162,730</u>	<u>\$ 457,600,000</u>	<u>\$ 499,339,880</u>
	2023			
	Level 1	Level 2	Level 3	Total
Interest bearing cash	\$ 3,760,478	\$ -	\$ -	\$ 3,760,478
U.S. government securities	38,677,919	-	-	38,677,919
U.S. agency securities	-	5,536,692	-	5,536,692
Municipal obligations	19,436	-	-	19,436
Corporate collateralized obligations	-	517,179	-	517,179
Corporate bonds	256,731	-	-	256,731
Plan Sponsor Company common stock	-	-	359,200,000	359,200,000
Total assets at fair value	<u>\$ 42,714,564</u>	<u>\$ 6,053,871</u>	<u>\$ 359,200,000</u>	<u>\$ 407,968,435</u>

During the year ended December 31, 2024, there were no purchases, sales or transfers into or out of the Level 3 asset. The total gains or losses in level 3 investments for 2024 of \$98,400,000 is attributable to the change in unrealized gains or losses relating to level 3 investments held at the end of the reporting period. It is included in net appreciation in fair value of investments, in the statement of changes in net assets available for benefits.

On December 29, 2023, the plan executed two trades to acquire \$1,719,861 of U.S. government securities and \$417,368 of corporate debt instruments. The Plan recognized these investments as plan assets as of December 31, 2023 and recorded the corresponding liability totaling \$2,137,229 due to the brokers. The Plan settled this liability by January 3, 2024.

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(9) Notes payable

As discussed in Note (1), in 2016, the ESOT assumed two notes in connection with the purchase of shares.

The Company loaned to the ESOT a Company loan in the total amount of \$57,000,000. The ESOT used the proceeds from the Company loan to pay the selling shareholders cash for a portion of the purchase price. The loan had a 25-year term and required annual payments of principal and interest. Interest was payable at a rate equal to the long term applicable federal rate. It was secured by a pledge of the ESOP shares the ESOT acquired with the proceeds of the internal loan. During the year ended December 31, 2022, the Company loan was paid off.

For the remainder of the purchase price, the ESOT issued to the selling shareholders Seller Notes in the total amount of \$141,000,000. The notes have a 25-year term and require interest only payments for the first 7 years, and equal principal payments of \$7,833,333 over the remaining term. Interest is payable at a rate equal to 4.00%. It is secured by a pledge of the ESOP shares the ESOT acquired with the proceeds of the Seller Notes and the Company's guarantee. The loan matures on December 31, 2040.

As part of financing the transaction, the Company agreed to refinance the Seller Notes. On December 1, 2017, the ESOP and the Company entered into a new loan and pledge agreement (the "Seller Refinanced (Internal) ESOP Loan and Pledge Agreement") for a non-recourse loan (the "Seller Refinanced (Internal) ESOP Loan") from the Company to the ESOT in the amount equal to the unpaid balance of the Seller Loan the Company assumed, which is \$141,000,000. The loan consists of twenty-two equal annual principal payments in the amount of \$4,878,593, plus accrued interest, starting on December 31, 2018. Interest is payable at a rate equal to 2.64%. The loan matures on December 31, 2040. As security for the performance of its obligation, the ESOT pledged to the Company the ESOP shares that the ESOT acquired with the proceeds of the Seller Loan.

In 2024, the Board of Directors authorized a cash contribution of \$17,823,262, of which \$3,140,916 was applied to principal payments, and \$1,413,505 was applied to interest payments.

In 2023, the Board of Directors authorized a cash contribution of \$17,027,696, of which \$3,140,916 was applied to principal payments, and \$1,492,563 was applied to interest payments.

Minimum debt obligation of the ESOP notes payable is as follows as of December 31, 2024:

<u>Years ending December 31,</u>	<u>Amount</u>
2025	\$ 3,140,916
2026	3,140,916
2027	3,140,916
2028	3,140,916
2029	3,140,916
Thereafter	34,550,076
Total	<u>\$ 50,254,656</u>

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023

(10) Related party and party in interest transactions

The Plan invests in the Company's common stock and has indebtedness guaranteed by the Company. These are related party and party-in-interest transactions. The Company paid all plan expenses in 2024. The Plan has a number of service providers. Such providers are parties in interest under ERISA.

(11) Subsequent events

Management has reviewed subsequent events through October 9, 2025, the date which the financial statements were available to be issued and determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

SUPPLEMENTAL SCHEDULE

**CHOATE CONSTRUCTION COMPANY
EMPLOYEE STOCK OWNERSHIP PLAN**

SUPPLEMENTAL SCHEDULE

December 31, 2024

SCHEDULE H, Line 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN: 58-1851823, 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
	Fidelity	Money market fund	\$28,762,063	\$28,762,063
	Sallie Mae Bank	Certificates of deposit	249,500	245,830
	Texas Exchange Bank	Certificates of deposit	249,625	243,977
	Flagstar Bank National	Certificates of deposit	250,000	250,738
	U.S. Government	U.S treasury bills	5,063,735	5,093,657
	U.S. Government	U.S treasury notes	30,012	30,000
	FHLB	Agency securities	1,566,109	1,556,875
	FFCB	Agency securities	239,795	231,751
	FNMA	Agency securities	49,950	48,526
	AmeriCredit Automobile Receivables Trust	Collateralized obligations	290,829	294,496
	BMW Vehicle Lease Trust	Collateralized obligations	475,000	475,355
	CarMax Auto Owner Trust	Collateralized obligations	317,294	321,562
	Carvana Auto Receivables Trust	Collateralized obligations	119,171	120,754
	Enterprise Fleet Fin LLC	Collateralized obligations	249,984	252,109
	GM Automobile Leasing Trust	Collateralized obligations	113,246	113,663
	HPEFS Equipment Trust	Collateralized obligations	580,442	580,352
	LAD Auto Receivables Trust	Collateralized obligations	182,784	183,384
	PEAC Solutions Receivables Series	Collateralized obligations	114,623	114,768
	Santander Drive Auto trust	Collateralized obligations	66,440	67,888
	Westlake Automobile Receivables Trust	Collateralized obligations	527,289	527,487
	Federal Home Loan Mortgage Corp	Collateralized mortgage obligations	25,342	24,016
	SBA Tower Trust CMO	Collateralized mortgage obligations	248,915	249,744
	Amgen	Corporate bonds	499,750	499,990
	Athene Global Funding	Corporate bonds	350,000	350,903
	First Horizon National	Corporate bonds	198,805	199,068
	JP Morgan Chase Bank	Corporate bonds	26,000	25,162
	Kyndryl Holdings	Corporate bonds	24,968	23,770
	Morgan Stanley	Corporate bonds	400,000	398,958
	Oaktree Specialty Lending	Corporate bonds	24,990	23,526
	Owl Rock Technology Finance	Corporate bonds	32,908	29,668
	US Bank	Corporate bonds	400,000	399,840
*	Sponsor Company	Common Stock - 8,000,000 Shares	198,000,000	457,600,000
	Total		<u>\$ 239,729,569</u>	<u>\$ 499,339,880</u>

* Choate Construction Company is the Plan Sponsor and is therefore a party-in-interest as defined by ERISA.

SEE INDEPENDENT AUDITORS' REPORT.