

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

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

OMB Nos. 1210-0110
1210-0089

2024

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 (Filers checking this box must provide participating employer information in accordance with the form instructions.) [x] a single-employer plan [] a DFE (specify) ____
B This return/report is: [] the first return/report [] the final return/report [] an amended return/report [] a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here. []
D Check box if filing under: [x] Form 5558 [] automatic extension [] the DFVC program [] special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. []

Part II Basic Plan Information—enter all requested information

1a Name of plan: CTS CEMENT MANUFACTURING CORP. EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 002
1c Effective date of plan: 01/01/2008
2a Plan sponsor's name (employer, if for a single-employer plan): CTS CEMENT MANUFACTURING CORP.
2b Employer Identification Number (EIN): 95-4118482
2c Plan Sponsor's telephone number: 714-379-8260
2d Business code (see instructions): 327300

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

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

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes rows for employer/plan sponsor and DFE.

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2024) v. 240311

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN	
	4d PN	
5 Total number of participants at the beginning of the plan year	5	280
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)	210
	6a(2)	207
	6b	41
	6c	20
	6d	268
	6e	1
	6f	269
	6g(1)	262
6g(2)	269	
6h	6	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

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

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 CTS CEMENT MANUFACTURING CORP. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 CTS CEMENT MANUFACTURING CORP.	D Employer Identification Number (EIN) 95-4118482

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

		(a) Beginning of Year	(b) End of Year
Assets			
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	2148568	2225798
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	6000	50315
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	660218	1668495
(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)	362048	365698
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	130170000	132840000
(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	133346834	137150306
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i	7546795	6421698
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	7546795	6421698
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	125800039	130728608

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)	2225798	
(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)		
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)	6420354	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	55202	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		6475556
(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)	2670000	
(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)		-10052
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		11361302

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	5979925	
(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)		5979925
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		452808
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		6432733

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		4928569
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: **BRHE GROUP**

(2) EIN: **30-0394947**

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.	OMB No. 1210-0110 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>CTS CEMENT MANUFACTURING CORP. 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>CTS CEMENT MANUFACTURING CORP.</u>	D Employer Identification Number (EIN) <u>95-4118482</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): 37-1865831

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 _____.

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN**

**FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024 AND 2023 AND
FOR THE YEAR ENDED DECEMBER 31, 2024,
SUPPLEMENTAL SCHEDULE AS OF
DECEMBER 31, 2024, AND
INDEPENDENT AUDITORS' REPORT**

BRHEGroup

■ Certified Public Accountants ■ Business Consultants ■

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INDEPENDENT AUDITORS' REPORT

To the Trustee and Plan Administrators of
CTS Cement Manufacturing Corporation Employee Stock Ownership Plan

Opinion

We have audited the accompanying financial statements of CTS Cement Manufacturing Corporation 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 then ended, 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 the Plan as of December 31, 2024 and 2023, and the changes in its net assets available for benefits for the year then ended, 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 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's 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 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 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 of Schedule of Assets (Held at End of Year) at December 31, 2024 is presented for purposes of additional analysis and is not a required part of the financial statements but are 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 generally accepted auditing standards.

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

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

BRHE GROUP

BRHE Group
Certified Public Accountants
Brea, California

October 9, 2025

CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS
AVAILABLE FOR BENEFITS
DECEMBER 31, 2024 AND 2023

	2024		2023	
	Allocated	Unallocated	Allocated	Unallocated
	Total	Total	Total	Total
ASSETS				
At fair value				
Investment in CTS Cement				
Manufacturing Corporation common stock	\$ 107,014,756	\$ 25,825,244	\$ 99,692,064	\$ 30,477,936
Mutual funds	365,698	-	362,048	-
	107,380,454	25,825,244	100,054,112	30,477,936
		133,205,698		130,532,048
Receivables:				
Employer contributions	647,891	1,577,907	503,156	1,645,412
Other receivable	50,315	-	6,000	-
		50,315		6,000
Cash and cash equivalents	1,668,495	-	660,218	-
	109,747,155	27,403,151	101,223,486	32,123,348
TOTAL ASSETS		<u>137,150,306</u>		<u>133,346,834</u>
LIABILITIES				
Current portion of loan payable	-	1,125,098	-	1,125,098
Current liabilities	-	1,125,098	-	1,125,098
Loan payable, less current portion	-	5,296,600	-	6,421,697
		6,421,698		7,546,795
TOTAL LIABILITIES		<u>6,421,698</u>		<u>7,546,795</u>
NET ASSETS AVAILABLE FOR BENEFITS	\$ 109,747,155	\$ 20,981,453	\$ 101,223,486	\$ 24,576,553
		<u>\$ 130,728,608</u>		<u>\$ 125,800,039</u>

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

CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2024

	Allocated	Unallocated	Total
ADDITIONS:			
Investment income:			
Net appreciation in the fair value of investments:			
CTS Cement Manufacturing Corporation common stock	\$ 2,760,224	\$ (90,224)	\$ 2,670,000
Dividends:			
Common stock	6,420,354	-	6,420,354
Mutual funds	55,202	-	55,202
Total investment income	9,235,780	(90,224)	9,145,556
Employer contributions	-	2,225,798	2,225,798
Allocation of 39,731 shares CTS Cement Manufacturing Corporation common stock at fair value	5,277,866	-	5,277,866
TOTAL ADDITIONS	14,513,646	2,135,574	16,649,220
DEDUCTIONS:			
Net depreciation in the fair value of mutual funds	10,052	-	10,052
Distributions to participants	5,979,925	-	5,979,925
Interest expense	-	452,808	452,808
Allocation of 39,731 shares CTS Cement Manufacturing Corporation common stock at fair value	-	5,277,866	5,277,866
TOTAL DEDUCTIONS	5,989,977	5,730,674	11,720,651
NET INCREASE	8,523,669	(3,595,100)	4,928,569
NET ASSETS AVAILABLE FOR BENEFITS			
Beginning of year	101,223,486	24,576,553	125,800,039
End of year	\$ 109,747,155	\$ 20,981,453	\$ 130,728,608

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

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - PLAN DESCRIPTION AND BASIS OF PRESENTATION

The following brief description of the CTS Cement Manufacturing Corporation Employee Stock Ownership Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement and amendments for complete information.

CTS Cement Manufacturing Corporation (the "Company"), a Nevada S-corporation, established the Plan effective January 1, 2008. As of December 29, 2010, the Plan was amended and operates, in relevant part, 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 of 1986 ("IRC"), as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

In 2009, the Plan purchased 14,400 shares of the Company's common stock for \$356,381 and purchased another 72,000 shares of the Company's common stock in exchange for a note due to the Company for \$1.5 million. This note was repaid in full during the Plan year ended December 31, 2012. On December 29, 2010, the Plan purchased the remaining 913,600 shares of the Company's common stock through a non-recourse promissory note (the "Securities Acquisition Loan") to the Company for approximately \$22.5 million. The Plan holds the 1 million outstanding shares of the Company common stock in a trust established under the Plan. Unallocated shares are collateral for the Securities Acquisition Loan.

The Company is the Plan Administrator. The Plan is governed by a three-member Plan Committee appointed by the Company's Board of Directors. The Board of Directors has appointed an independent Trustee and Investment Manager to hold and manage the Plan's assets through a trust fund under the Trust Agreement (the "Trust"). The Plan also employs an independent third-party administrator ("TPA") for recordkeeping, and an independent custodian to hold the Plan's assets.

The Plan purchased the Company common stock from the prior shareholder. The common stock is held in the Trust established under the Plan. Based on annual debt payments made by the Plan, and annual S-corporation distributions from the Company, shares are released from unallocated to allocated status and an appropriate amount of allocated common stock is credited to eligible participants' accounts in accordance with applicable regulations under the IRC and Plan rules.

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

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

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – PLAN DESCRIPTION AND BASIS OF PRESENTATION (Continued)

Eligibility

Employees of the Company are generally eligible to participate in the Plan after one year of service, provided they worked at least 1,000 hours during such Plan year. Participants who do not have at least 1,000 hours of service during such Plan year and/or are not employed on the last day of the Plan year are generally not eligible for an allocation of Company contributions for such year.

Contributions

The Company is obligated to make contributions in cash to the Plan, which, when aggregated with the Plan's interest and dividend earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term note. Employee contributions are not permitted.

Payment of Benefits

Attainment of normal retirement age, disability or death

In the event of death, disability or retirement, and if the participant's vested account balance is \$50,000 or less, as amended, then the distribution shall be made in a lump-sum payment. If the vested account balance exceeds \$50,000, then the distribution shall be made in equal annual installments over a period of five years. The distribution shall be increased by one year, up to five additional years for each \$275,000 (or fraction thereof), as amended, as indexed, by which the value of such account exceeds \$1,380,000, as indexed.

Other termination of service

If an employee terminates for reasons other than retirement, disability or death, and if the vested account balance is \$50,000 or less, then the participant's vested Plan benefit distribution shall be a lump sum payment made as soon as administratively feasible after the close of the Plan year in which the employment terminated. If the vested account balance is over \$50,000, then the distribution shall be made in equal annual installments over a period of five years commencing as soon as administratively feasible in the Plan year following the Plan year of separation. The distribution shall be increased by one year, up to five additional years for each \$275,000 (or fraction thereof), as indexed, by which the value of such an account exceeds \$1,380,000, as indexed.

Form of distributions

Distributions are made entirely in cash or in the form of Company common stock plus cash for any fractional share. As long as the Company maintains its S-corporation status, the Company common stock distributed to employee is subject to a fair market value repurchase requirement. No distribution of the Company common stock is allowed if such distribution may cause the Company to violate its S-corporation status under the IRC. Any distribution by the Plan shall be subject to the Trust or the Company immediately repurchasing the common stock.

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – PLAN DESCRIPTION AND BASIS OF PRESENTATION (Continued)

Administrative Expenses

As provided in the Plan agreement, administrative expenses may be paid either by the Plan or by the Company. The Company has historically paid the operating expenses for the Plan.

Voting Rights

All Company common stock held by the Plan is voted by the Trustee in accordance with instructions from the Plan Committee. Voting in connection with certain events as enumerated in the Plan document, such as mergers, acquisitions, recapitalizations, as disclosed, allow Participants to vote in proportion to their allocated shares. Under those circumstances, the Trustee will vote the unallocated shares held by the Trust, as well as any allocated shares for which instructions have not been given by a participant, in accordance with instructions from the Plan Committee.

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. The Trust assets are not segregated and no participant, former participant or beneficiary acquires any right or interests in any specific asset of the Trust as a result of the allocation provided for by the Plan. All participants have a Company stock account, and certain participants, subject to Plan rules, may also have another investment account.

Company stock account

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 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. Allocations are determined based on either the General Rule or the Special Rule as determined by the Plan Committee according to the Plan's provisions with regard to the number and amount of payments remaining on the Securities Acquisition Loan.

Other Investments account

Each participant's account is credited as of the last day of each Plan year with an allocation of cash, employer contributions, and forfeitures of terminated participants' non-vested accounts, and credited (debited) with the participant's share of the net income (loss) of the Plan, and with Company S-corporation distributions during any S-corporation years not used to make payments on the Securities Acquisition Loan.

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – PLAN DESCRIPTION AND BASIS OF PRESENTATION (Continued)

Vesting

A participant who, while employed with the Company, dies, attains the normal retirement age of 65 or is disabled will be 100% vested in that participant's Plan benefit. Other than these circumstances, the vesting of participant Plan benefits will follow the following vesting schedule:

Years of Service	Percentage Vested
Less than two	0%
2	20%
3	40%
4	60%
5	80%
6	100%

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, is subject to a put option, as defined. The put option is a right to demand that the Trust or the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Company or the Trust can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Diversification

Within the ninety-day period following the close of each Plan year, each Qualified Participant, as defined, can direct their investment in Company common stock to be diversified in up to three investment options chosen by the Plan Committee into the participant's other investments account. This diversification is limited to 25% of allocated shares in the participant's account. The Plan also allows a Qualified Participant to diversify their accounts up to 50% beginning with the sixth year of the Qualified Election Period, as defined. The election to diversify is made subsequent to year-end based upon the shares of employer stock in the participant's account at year-end. For the year ended December 31, 2024, \$1,596,613 was expensed as diversification to Qualified Participants of the Plan.

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – PLAN DESCRIPTION AND BASIS OF PRESENTATION (Continued)

Forfeitures

If a participant separates from the Company and is not fully vested, the nonvested portion of that participant's account is subject to forfeiture. Forfeited amounts are charged first against the participant's Other Investments Account, and then against the Company common stock which was not acquired with the proceeds of the Securities Acquisition Loan, and finally against Company common stock acquired. Separated participants who did not receive a cash-out distribution will have their forfeited amount allocated as soon as possible after the close of the Plan year after five consecutive years. Separated participants who received a cash-out distribution will have their forfeited amount allocated immediately upon receipt of the cash-out distribution. Forfeitures allocated to participants during December 31, 2024, totaled \$236,205. Forfeited non-vested accounts to be allocated to participant accounts in future years as of December 31, 2024 and 2023, were none, respectively.

Plan Amendment and Restatement

The Company reserves the right to amend the Plan from time to time by action of the Board of Directors according to provisions of the Plan. The most recent amendment and restatement to the Plan was adopted September 20, 2024 to be effective January 1, 2024 and addresses the incorporation all prior amendments of the Plan; and also to incorporate all applicable provisions under the Setting Every Community Up for Retirement Enhancement Act of 2019 (“SECURE Act”), the applicable provision of the Coronavirus Aid, Relief, and Economic Security Act of 2020 (“CARES Act”), and the SECURE 2.0 Act of 2022 (“SECURE 2.0”), and any other changes to the Plan as the Company determined appropriate.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP).

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Plan considers investments with a maturity of 90 days or less to be cash equivalents.

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 not committed to be released. Shares are released from collateral and become allocated generally in the period in which the debt service is actually paid.

Investment Valuation and Income Recognition

The shares of Company common stock and mutual funds held by the Plan are reported at fair value. See Note 4 for a discussion of fair value measurements. Dividend income is accrued on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation/(depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefits are recorded when paid.

Subsequent Events

The Plan has evaluated subsequent events through October 9, 2025, which is the date the financial statements were available to be issued.

NOTE 3 - INVESTMENTS

The Plan’s investments are presented in the following table at December 31:

	<u>2024</u>		<u>2023</u>	
	<u>Allocated</u>	<u>Unallocated</u>	<u>Allocated</u>	<u>Unallocated</u>
CTS Cement Manufacturing Corporation, common stock:				
Number of Shares	805,591	194,409	765,860	234,140
Cost	\$ 19,570,056	\$ 4,788,293	\$ 18,591,481	\$ 5,766,868
Estimated fair value	\$ 107,014,708	\$ 25,825,292	\$ 99,691,996	\$ 30,478,004
Fidelity Ginnie Mae Fund:				
Cost	\$ 418,515	\$ -	\$ 404,813	\$ -
Fair value	\$ 365,698	\$ -	\$ 362,048	\$ -
Fidelity Money Market:				
Current value	\$ 1,668,495	\$ -	\$ 660,218	\$ -

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 4 - FAIR VALUE MEASUREMENTS

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

Level 1

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

Level 2

Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input used 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 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 table sets forth by level, in the fair value hierarchy, the Plan's assets at fair value as of December 31, 2024 and 2023:

	Assets at Fair Value as of December 31, 2024		
	Level 1	Level 3	Total
Fidelity Ginnie Mae	\$ 365,698	\$ -	\$ 365,698
Total mutual funds	365,698	-	365,098
Investment in CTS Cement Manufacturing Corporation common stock	-	132,840,000	132,840,000
Total assets at fair value	\$ 365,098	\$ 132,840,000	\$ 133,205,698

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 4 – FAIR VALUE MEASUREMENTS (Continued)

	Assets at Fair Value as of December 31, 2023		
	Level 1	Level 3	Total
Fidelity Ginnie Mae	\$ 362,048	\$ -	\$ 362,048
Total mutual funds	362,048	-	362,048
Investment in CTS Cement Manufacturing Corporation common stock	-	130,170,000	130,170,000
	\$ 362,048	\$ 130,170,000	\$ 130,532,048

The Plan held no assets measured using Level 2 inputs at December 31, 2024 and 2023. There were no transfers between fair values levels during the year ended December 31, 2024.

Changes in Fair Value of Level 3 Assets and Related Gains and Losses

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

	Level 3 Assets Year Ended December 31, 2024
	<i>Investment in CTS Cement Manufacturing Corporation Common Stock</i>
Balance, beginning of the year	\$ 130,170,000
Realized gains/losses	-
Unrealized appreciation in estimated fair value	2,670,000
Balance, at end of year	\$ 132,840,000
The amounts of total gains or losses for the period included changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	\$ 2,670,000

Gains and losses (realized and unrealized) included in changes in net assets for the period above are reported in net appreciation in estimated fair value of investments in the Statement of Changes in Net Assets Available for Benefits.

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

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 4 – FAIR VALUE MEASUREMENTS (Continued)

The Plan's valuation methodology used to measure the fair value of the mutual funds was derived from quoted market prices as both of these instruments have active markets.

The Company's common stock held by the Plan is reported at fair value based upon an appraisal. This appraisal was based upon a combination of market and income valuation techniques consistent with prior years as illustrated on the following table.

Instrument	Fair Value	Principle Valuation Technique	Unobservable Inputs
CTS Cement Manufacturing Corporation common stock	\$132,840,000	Income	EBITDA Net income Free cash flow Discount rate Discount for lack of marketability
		Market	Public comparable Working capital EBITDA multiple Revenue multiple Enterprise values Discount for lack of marketability

The valuation process involves the Trustee's selection of an appraiser under an annual contract with the right to cancel the contract at any time. Plan management accumulates the data for the appraiser from the historical and projected financial information of the Company. The appraiser prepares a preliminary report which Plan management, along with the Trustee, reviews in detail and discusses. The results of this process is approved by the Trustee.

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 different fair value measurement at the reporting date.

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 5 -LONG-TERM DEBT

Long-term debt consists of the following at December 31:

	2024	2023
Loan payable to the Company, payable in annual principal installments of \$1,125,098 plus 6% interest through December 2029, and a final principal payment of \$796,202 plus interest in December 2030. As detailed in Note 1, the loan is secured by the unallocated Company shares held in the Trust.	\$ 6,421,698	\$ 7,546,795
Less current portion:	<u>(1,125,098)</u>	<u>(1,125,098)</u>
	<u>\$ 5,296,600</u>	<u>\$ 6,421,697</u>

Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year payments divided by the total of this year's payments, plus all future years' principal and interest payments. This resulted in 39,731 shares being released and allocated for the Plan year ended December 31, 2024.

Maturities of long-term debt are as follows:

Year ending December 31,	
2025	\$ 1,125,098
2026	1,125,098
2027	1,125,098
2028	1,125,098
2029	1,125,098
Thereafter	<u>796,208</u>
	<u>\$ 6,421,698</u>

NOTE 6 - PLAN ADMINISTRATION

The Plan's assets, which consist of CTS Cement Manufacturing Corporation common stock, mutual funds and cash and cash equivalents are held by the Plan custodian. The Company contributions are held by the custodian and managed by the Trustee, who invests cash received, interest and dividend income, and makes distributions to participants. The Trustee also administers the payment of interest and principal on the Stock Acquisition Loan. A third-party administrator maintains the participant accounts. Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 – RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

The Plan invests in Company common stock and has indebtedness guaranteed by the Company. These are related party and party-in-interest transactions. As described in Note 1, the Company pays all Plan expenses. The Plan has a number of service providers. Such providers are parties-in-interest under ERISA.

NOTE 8 – RISKS AND UNCERTAINTIES

The Plan investments consist primarily of the Company's common stock, which is exposed to various risks, such as interest rate, market, and credit risks, as well as valuation assumptions based on earnings, cash flows and other such techniques. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in the estimations and assumptions, it is at least reasonably possible that changes in the value of the common stock will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

NOTE 9 – PLAN TERMINATION

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon termination of the Plan, the Employee Benefits Administration Committee directs the Trustee to pay all liabilities and expenses of the Plan and to sell shares of financed common stock held as collateral to the extent it determines such sale to be necessary in order to repay the Stock Acquisition 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.

NOTE 10 – TAX STATUS

The Plan has received a determination letter from the IRS dated September 25, 2013, stating that the Plan is qualified, under the IRC and, therefore the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan is currently designed, and is being operated, in compliance with the applicable requirements of the IRC. Therefore, they believe that the Plan was qualified, and the related trust was tax-exempt as of the financial statement date.

US GAAP require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS or state tax authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 11 – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

As of and for the Plan year ended December 31, 2024, there are no differences between the financial statements amounts reported on the statement of net assets available for benefits and the statement of changes in net assets available for benefits and the Form 5500 amounts reported on the asset and liability and the income and expense statements, respectively, with the exception that the Securities Acquisition Loan liability has been re-classed between the current and long-term portions of principal due and payable.

SUPPLEMENTAL SCHEDULE

CTS CEMENT MANUFACTURING CORPORATION
EMPLOYEE STOCK OWNERSHIP PLAN
PLAN FEIN # 95-4118482
PLAN # 002
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2024

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current Value	
Company:				
*	CTS Cement Manufacturing Corporation	1,000,000 common stock, no par at \$132.84 per share	\$ 24,358,349	\$ 132,840,000
Mutual funds:				
*	Fidelity Ginnie Mae Fund	Mutual Funds	418,515	365,698
Money market fund:				
*	Federated Treasury Obligations Fund	Money Market Fund	1,668,495	1,668,495
			<u>\$ 26,445,359</u>	<u>\$ 134,874,193</u>

Note: * Column (a) parties-in-interest as defined by ERISA.

