

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2024

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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

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

Part I Annual Report Identification Information

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

- A This return/report is for: [] a multiemployer plan [] a multiple-employer plan... [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: JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 002
1c Effective date of plan: 01/01/2018
2a Plan sponsor's name, mailing address, city or town...
2b Employer Identification Number (EIN): 82-4429448
2c Plan Sponsor's telephone number: 423-817-0661
2d Business code (see instructions): 238900

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 entries for HELEN J TALLMAN and fields 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	145
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1)	114
	6a(2)	106
	6b	2
	6c	32
	6d	140
	6e	1
	6f	141
	6g(1)	128
	6g(2)	133
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2I 2P 2Q 3I

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

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

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

a Pension Schedules

- (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.	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 JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 JTH INDUSTRIAL, INC.	D Employer Identification Number (EIN) 82-4429448

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 313	330
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions	1b(1)	
(2) Participant contributions	1b(2)	
(3) Other	1b(3)	
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	
(2) U.S. Government securities	1c(2)	
(3) Corporate debt instruments (other than employer securities):		
(A) Preferred	1c(3)(A)	
(B) All other	1c(3)(B)	
(4) Corporate stocks (other than employer securities):		
(A) Preferred	1c(4)(A)	
(B) Common	1c(4)(B)	
(5) Partnership/joint venture interests	1c(5)	
(6) Real estate (other than employer real property)	1c(6)	
(7) Loans (other than to participants)	1c(7)	
(8) Participant loans	1c(8)	
(9) Value of interest in common/collective trusts	1c(9)	
(10) Value of interest in pooled separate accounts	1c(10)	
(11) Value of interest in master trust investment accounts	1c(11)	
(12) Value of interest in 103-12 investment entities	1c(12)	
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	
(15) Other	1c(15)	

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	11541400	10238800
(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	11541713	10239130
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i	1732694	1640464
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	1732694	1640464
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	9809019	8598666

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)	267135	
(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)		267135
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	17	
(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)		17
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		0
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)	-1302599	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		-1035447

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	138593	
(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)		138593
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		36313
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		174906

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-1210353
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: BLACKBURN, CHILDERS & STEAGALL, PLC

(2) EIN: 62-0647474

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>JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>JTH INDUSTRIAL, INC.</u>	D Employer Identification Number (EIN) <u>82-4429448</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 _____.

**JTH INDUSTRIAL, INC.
EMPLOYEE STOCK OWNERSHIP
PLAN**

2024



AICPA[®]
EBPAQC Member

**JTH INDUSTRIAL, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE**

For the Fiscal Years Ended December 31, 2024 and 2023 (Unaudited)

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
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December 31, 2024 and 2023 (Unaudited)

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INDEPENDENT AUDITORS' REPORT

To the ESOP Committee of the
JTH Industrial, Inc. Employee Stock Ownership Plan

Opinion

We have audited the accompanying financial statements of the JTH Industrial, Inc. Employee Stock Ownership Plan and Trust (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statement of net assets available for benefits as of December 31, 2024, 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 JTH Industrial, Inc. Employee Stock Ownership Plan and Trust as of December 31, 2024, 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 audit 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 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.

Report on Compiled 2023 Financial Statements


Plan management is responsible for the accompanying financial statements of the JTH Industrial, Inc. Employee Stock Ownership Plan and Trust, which comprises the statement of net assets available for benefits as of December 31, 2023 and the related statement of changes in net assets available for benefits for the year then ended. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by plan management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the 2023 financial statements.

Supplemental Schedule Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2024 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. 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.


BLACKBURN, CHILDERS & STEAGALL, PLC
Johnson City, Tennessee

October 8, 2025

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2024

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
ASSETS			
Investment in JTH Industrial, Inc. Common Stock at Fair Value	\$ 2,855,050	7,383,750	10,238,800
Cash, Non-Interest Bearing	<u>330</u>	<u>-</u>	<u>330</u>
TOTAL ASSETS	<u>2,855,380</u>	<u>7,383,750</u>	<u>10,239,130</u>
LIABILITIES			
Note Payable	<u>-</u>	<u>1,640,464</u>	<u>1,640,464</u>
TOTAL LIABILITIES	<u>-</u>	<u>1,640,464</u>	<u>1,640,464</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 2,855,380</u>	<u>5,743,286</u>	<u>8,598,666</u>

(Continued)

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2023 (Unaudited)

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
ASSETS			
Investment in JTH Industrial, Inc. Common Stock at Fair Value	\$ 2,663,400	8,878,000	11,541,400
Cash, Non-Interest Bearing	<u>313</u>	<u>-</u>	<u>313</u>
TOTAL ASSETS	<u>2,663,713</u>	<u>8,878,000</u>	<u>11,541,713</u>
LIABILITIES			
Note Payable	<u>-</u>	<u>1,732,694</u>	<u>1,732,694</u>
TOTAL LIABILITIES	<u>-</u>	<u>1,732,694</u>	<u>1,732,694</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 2,663,713</u>	<u>7,145,306</u>	<u>9,809,019</u>

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

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Fiscal Year Ended December 31, 2024

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
ADDITIONS (REDUCTIONS)			
Net Appreciation (Depreciation) in Fair Value of Investments	\$ (363,225)	(939,375)	(1,302,600)
Employer Contributions	138,593	128,542	267,135
Allocation of 12,500 Shares of JTH Industrial, Inc.			
Common Stock at Fair Value	554,875	-	554,875
Other Income	17	-	17
TOTAL ADDITIONS (REDUCTIONS)	<u>330,260</u>	<u>(810,833)</u>	<u>(480,573)</u>
DEDUCTIONS			
Interest Expense	-	36,312	36,312
Distributions to Participants	138,593	-	138,593
Allocation of 12,500 Shares of JTH Industrial, Inc.			
Common Stock at Fair Value	-	554,875	554,875
TOTAL DEDUCTIONS	<u>138,593</u>	<u>591,187</u>	<u>729,780</u>
NET INCREASE (DECREASE)	<u>191,667</u>	<u>(1,402,020)</u>	<u>(1,210,353)</u>
NET ASSETS AVAILABLE FOR BENEFITS			
Beginning of Year	<u>2,663,713</u>	<u>7,145,306</u>	<u>9,809,019</u>
End of Year	<u>\$ 2,855,380</u>	<u>5,743,286</u>	<u>8,598,666</u>

(Continued)

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Fiscal Year Ended December 31, 2023 (Unaudited)

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
ADDITIONS			
Net Appreciation in Fair Value of Investments	\$ 1,347,600	4,492,000	5,839,600
Employer Contributions	32,000	128,542	160,542
Allocation of 12,500 Shares of JTH Industrial, Inc. Common Stock at Fair Value	<u>274,125</u>	<u>-</u>	<u>274,125</u>
TOTAL ADDITIONS	<u>1,653,725</u>	<u>4,620,542</u>	<u>6,274,267</u>
DEDUCTIONS			
Interest Expense	-	38,104	38,104
Distributions to Participants	31,848	-	31,848
Allocation of 12,500 Shares of JTH Industrial, Inc. Common Stock at Fair Value	-	274,125	274,125
Other Expense	<u>12</u>	<u>-</u>	<u>12</u>
TOTAL DEDUCTIONS	<u>31,860</u>	<u>312,229</u>	<u>344,089</u>
NET INCREASE	<u>1,621,865</u>	<u>4,308,313</u>	<u>5,930,178</u>
NET ASSETS AVAILABLE FOR BENEFITS			
Beginning of Year	<u>1,041,848</u>	<u>2,836,993</u>	<u>3,878,841</u>
End of Year	<u>\$ 2,663,713</u>	<u>7,145,306</u>	<u>9,809,019</u>

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

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023 (Unaudited)

NOTE 1 - DESCRIPTION OF PLAN AND BASIS OF PRESENTATION

The following description of the JTH Industrial, Inc. Employee Stock Ownership Plan and Trust (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

JTH Industrial, Inc. (the “Company”) established a qualified Employee Stock Ownership Plan (ESOP) and the JTH Industrial, Inc. Stock Ownership Trust (the “Plan”) on July 26, 2018, retroactively effective on January 1, 2018. The ESOP was amended and operates, in relevant part, as a leveraged ESOP, and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The ESOP Committee is responsible for the oversight of the Plan and determines the appropriateness of the Plan's investment offerings and monitors investment performance.

The Plan is administered by the ESOP Committee, which is presently comprised of three individuals who were appointed by the Company’s Board of Directors. Andrew E. Shaefer of SCJ Fiduciary Services is the Plan's Trustee (Trustee).

At the Plan's inception, 10,000 shares of Company stock was contributed to the Trust and are non-leveraged. In 2019, the Trust purchased 250,000 shares of the Company's outstanding Class A Common Stock from Robert K. Hornsey and Kathryn M. Hornsey (the “Sellers”) for \$2,500,000, with the purchase price financed by the Sellers through a loan to the ESOP. The stock is held in the Trust. The borrowing is to be repaid over a period of twenty years by fully deductible Company contributions to the Trust (see Note 5). Annually, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with the Plan document.

The borrowing is collateralized by the unallocated shares of common stock and is guaranteed by the Company. The Company has no rights against the shares once they are allocated to participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan as of and for the years ended December 31, 2024 and 2023 (Unaudited), present separately the assets and liabilities and changes therein pertaining to the accounts of employees with vested rights in allocated common stock (Allocated), and common stock not yet allocated to employees (Unallocated).

Eligibility

Employees of the Company are generally eligible to participate in the Plan after being credited with 1,000 hours of service in a 12-month period since their employment commencement date. An eligible non-excluded employee will begin participation in the Plan on the applicable entry date which coincides with or immediately follows the date they have been credited one year of service.

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023 (Unaudited)

NOTE 1 - DESCRIPTION OF PLAN AND BASIS OF PRESENTATION (CONTINUED)

Contributions

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

Payment of Benefits

No distributions from the Plan will be made until a participant retires, becomes 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. Distributions are made in cash or, if a participant elects, in the form of Company common stock plus cash for any fractional shares.

Upon attaining age fifty-five and completing ten years of participation in the ESOP, a participant may for a period of five years, elect to receive a distribution of up to 25% of the total amount of their Company stock. For a period of one year thereafter, the participant may receive up to 50% of the participant's account balance.

Administrative Expenses

Administrative expenses for the Trustee's fees and for the annual appraisals of the Company's stock can be paid by either the Company or from the Trust. For the plan years ended December 31, 2024 and 2023 (Unaudited), a majority of administrative expenses of the Plan were paid by the Company.

Voting Rights

The Trustee shall vote all shares of Company stock held by it as part of the Plan; provided, however, that if any agreement entered into by the Trust provides for the voting of any shares of Company stock pledged as security for any obligation of the Plan, then such shares of Company stock shall be voted in accordance with such an agreement.

Each participant or beneficiary in the Plan shall be entitled to direct the Trustee as to the manner in which voting rights on shares of the Company stock allocated to his or her account are to be exercised with respect to any corporate matter including the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all assets of a trade or business, or such similar transaction as prescribed in regulations. Any Company stock as to which a participant or beneficiary is entitled to direct the Trustee as to the manner in which to vote but for which voting directions are not received by the Trustee shall be voted by the Trustee in its discretion.

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023 (Unaudited)

NOTE 1 - DESCRIPTION OF PLAN AND BASIS OF PRESENTATION (CONTINUED)

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account balance 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 based on a participant's eligible compensation, relative to total eligible compensation.

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, as follows:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1	20%
2	40%
3	60%
4	80%
5 or more	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, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Company 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

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company stock into investments that are more diversified. Participants who are at least age 55 with at least ten years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six year period. In each of the first five years, a participant may diversify up to 25 percent of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50 percent.

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023 (Unaudited)

NOTE 1 - DESCRIPTION OF PLAN AND BASIS OF PRESENTATION (CONTINUED)

Diversification (Continued)

Participants who elect to diversify receive a cash distribution, unless eligible for floor price protection, in which case, shares are distributed. The election to diversify is made after year-end based upon the shares of employer stock in the participant's account at year-end.

Forfeitures

Plan forfeitures are allocated to each participant's account based upon the relationship of the participant's eligible compensation to total eligible compensation for the Plan year. Forfeitures allocated to participants during the fiscal years ended December 31, 2024 and 2023 (Unaudited) totaled \$5,226 and \$4,612, respectively. Forfeited non-vested accounts to be allocated to participant accounts in future years as of December 31, 2024 and 2023 (Unaudited), were \$69,209 and \$68,251, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The accounting records with respect to the plan administration are maintained by Blue Ridge Associates, the record keeper of the Plan. Annual financial statements are furnished to the Company by the record keeper. Investment decisions are made by the ESOP committee.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Allocations

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

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023 (Unaudited)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation and Income Recognition

The shares of Company common stock are reported at fair value. See Note 3 for a discussion of the fair value measurements.

Payment of Benefits

Benefits are recorded when paid.

NOTE 3 - FAIR VALUE MEASUREMENT

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC), 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). 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 market prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2

Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets;

Inputs other than quoted prices that are observable for the asset or liability;

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023 (Unaudited)

NOTE 3 - FAIR VALUE MEASUREMENT (CONTINUED)

Level 3

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

The assets 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.

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

JTH Industrial, Inc. Common Stock: Valued at fair market value based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior years. The appraiser considered historical and projected cash flow, net income, return on assets, return on equity, market comparability, and the fair value of Company assets and liabilities. Plan management has concluded that a market participant would also recognize a discount for lack of marketability. The valuation process involves the selection of an appraiser under contract with the right to cancel such contract at any time. Plan management accumulates the data for the appraiser from historical and projected financial information of the Company. The appraiser prepares a report of estimated per share value that a participant will receive upon distribution. However, the preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Plan believes its valuation methodologies 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.

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 (Unaudited):

	Investments at Fair Value as of December 31, 2024			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investment in JTH Industrial, Inc. Common Stock	\$ -	-	10,238,800	10,238,800
Total Investments at Fair Value	<u>\$ -</u>	<u>-</u>	<u>10,238,800</u>	<u>10,238,800</u>
	Investments at Fair Value as of December 31, 2023 (Unaudited)			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investment in JTH Industrial, Inc. Common Stock	\$ -	-	11,541,400	11,541,400
Total Investments at Fair Value	<u>\$ -</u>	<u>-</u>	<u>11,541,400</u>	<u>11,541,400</u>

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023 (Unaudited)

NOTE 3 - FAIR VALUE MEASUREMENT (CONTINUED)

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

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the years ended December 31, 2024 and 2023 (Unaudited):

	Common Stock 2024	Common Stock 2023 (Unaudited)
	<u>2024</u>	<u>2023 (Unaudited)</u>
Balance, Beginning of the Year	\$ 11,541,400	5,701,800
Unrealized Gains (Losses) Relating to Instruments Still Held at the Reporting Date	<u>(1,302,600)</u>	<u>5,839,600</u>
Balance, End of Year	<u>\$ 10,238,800</u>	<u>11,541,400</u>

Gains and losses (realized and unrealized) included in the changes in net assets for the period above are reported in net appreciation (depreciation) in fair value of investments in the statements of net assets available for benefits.

During the fiscal years ended December 31, 2024 and 2023 (Unaudited), the Plan's investments (including investments bought, sold and held during the year) appreciated, or (depreciated), in value by \$(1,302,600) and \$5,839,600, respectively.

NOTE 4 - INVESTMENTS

The Plan's investments, at December 31, 2024 and 2023 (Unaudited), are presented in the following table:

	<u>2024</u>		<u>2023 (Unaudited)</u>	
	Allocated	Unallocated	Allocated	Unallocated
Number of Shares	<u>72,500.0000</u>	<u>187,500.0000</u>	<u>60,000.0000</u>	<u>200,000.0000</u>
Cost	<u>\$ 725,000</u>	<u>1,875,000</u>	<u>600,000</u>	<u>2,000,000</u>
Estimated Fair Value	<u>\$ 2,855,050</u>	<u>7,383,750</u>	<u>2,663,400</u>	<u>8,878,000</u>

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023 (Unaudited)

NOTE 5 - LOAN PAYABLE

On December 31, 2019, the Trust executed a \$2,500,000 term loan with the Sellers to finance its purchase of 250,000 shares of the Company's Class A Common Stock. This term loan was assumed by the Company in exchange for a loan receivable from the Trust.

The loan balance on December 31, 2024 and 2023 (Unaudited) was \$1,640,464 and \$1,732,694, respectively. As of December 31, 2024 and 2023 (Unaudited), unallocated shares of 187,500 and 200,000, respectively, were collateral for the loan. Investment stock is released from the pledge as it is allocated to participants. The loan agreement calls for the loan to be repaid over twenty years at a rate of 2.09%.

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

<u>Years Ending December 31,</u>	<u>Amount</u>
2025	\$ 94,256
2026	96,226
2027	98,237
2027	100,213
2029	102,385
Thereafter	<u>1,149,147</u>
	<u>\$ 1,640,464</u>

NOTE 6 - RELATED-PARTY TRANSACTIONS

The Plan invests in Company common stock and has indebtedness guaranteed by the Company. The Company paid all expenses.

Blue Ridge Associates is the record keeper of the Plan and as such, transactions with the record keeper qualify as party-in-interest transactions under ERISA. The Plan's assets, which consist principally of JTH Industrial, Inc. common stock, are held by the Trustee of the Plan. Company contributions are managed by the Trustee, which invests cash received, interest, dividend income, and makes distributions to participants. Transactions with the trustee qualify as party-in-interest transactions.

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023 (Unaudited)

NOTE 7 - RISKS AND UNCERTAINTIES

The Plan investments consist principally 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 estimates and assumptions, it is at least reasonably possible that changes in the value of the common stock will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

NOTE 8 - PLAN TERMINATION

The Company reserves the right to terminate the Plan at any time, subject to the Plan provisions. Upon such termination of the Plan, each participant becomes 100% vested and the interest of each participant in the trust fund will be distributed to such participants, or his or her beneficiary, at the time prescribed by the Plan and the Internal Revenue Code (IRC).

NOTE 9 - TAX STATUS

The IRS has determined and informed the Company by a letter dated December 1, 2019, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since applying for the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believes that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Department of Labor or Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2024, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

NOTE 10 - SUBSEQUENT EVENTS

Plan management has evaluated subsequent events through October 8, 2025, the date the financial statements were available for issuance.

**JTH INDUSTRIAL, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

EIN: 82-4429448

PLAN NUMBER: 002

SUPPLEMENTAL SCHEDULE

JTH INDUSTRIAL, INC. EMPLOYEE STOCK OWNERSHIP PLAN
SCHEDULE H - Line 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2024
EIN: 82-4429448
Plan: 002

(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		
*	JTH Industrial, Inc.	Common Stock, \$10 Par Value, Allocated Shares	72,500.0000 Shares	\$ 725,000	2,855,050
*	JTH Industrial, Inc.	Common Stock, \$10 Par Value, Unallocated Shares	187,500.0000 Shares	<u>1,875,000</u>	<u>7,383,750</u>
	Total		<u>\$ 2,600,000</u>	<u>10,238,800</u>	

* Party-in-interest to the Plan.

See Independent Auditors' Report

