

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, a single-employer plan, a DFE, the first return/report, the final return/report, an amended return/report, a short plan year return/report.
B This return/report is: the first return/report, the final return/report, an amended return/report, a short plan year return/report.
C If the plan is a collectively-bargained plan, check here.
D Check box if filing under: Form 5558, automatic extension, the DFVC program, special extension.
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: ALLIED EXHAUST SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 003
1c Effective date of plan: 01/01/2013
2a Plan sponsor's name, mailing address, city or town, state or province, country, and ZIP or foreign postal code.
2b Employer Identification Number (EIN): 68-0136255
2c Plan Sponsor's telephone number: 707-745-0506
2d Business code (see instructions): 423100

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	233
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)	181
	6a(2)	150
	6b	34
	6c	28
	6d	212
	6e	4
	6f	216
	6g(1)	205
	6g(2)	215
h	6h	10
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)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2024

This Form is Open to Public Inspection

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

A Name of plan ALLIED EXHAUST SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 ALLIED EXHAUST SYSTEMS, INC.		D Employer Identification Number (EIN) 68-0136255	

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	790286	564000
(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)	583738	1394523
(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)	37795075	32410300
(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	39169099	34368823
Liabilities			
g Benefit claims payable.....	1g	0	0
h Operating payables.....	1h	0	564000
i Acquisition indebtedness.....	1i	2400000	1920000
j Other liabilities.....	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	2400000	2484000
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	36769099	31884823

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)	2447105	
(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)		2447105
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	20639	
(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)		20639
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)	-5384775	
(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		-2917031

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1879250	
(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)		1879250
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		84000
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)	140	
(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)	3855	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		3995
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1967245

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-4884276
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: **BPM LLP**

(2) EIN: **81-4234542**

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>ALLIED EXHAUST SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ALLIED EXHAUST SYSTEMS, INC.</u>	D Employer Identification Number (EIN) <u>68-0136255</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 _____.

**ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE**

December 31, 2024

**ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

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INDEPENDENT AUDITORS' REPORT

To the Trustee and Administrative Committee of
Allied Exhaust Systems, Inc. Employee Stock Ownership Plan

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audits 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 U.S. GAAP, 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 that the financial statements are available to be issued.

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

Auditors' Responsibilities for the Audits 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 U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, 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 audits.

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 H, Line 4i – 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 ("DOL'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 U.S. GAAS.

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

BPM LLP

San Francisco, California
October 8, 2025

ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
As of December 31, 2024 and 2023

	2024			2023		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
ASSETS						
Investment in Company common stock, at fair value (267,500 shares)	\$ 25,035,423	\$ 7,374,877	\$ 32,410,300	\$ 26,871,873	\$ 10,923,202	\$ 37,795,075
Employer contribution receivable	-	564,000	564,000	790,286	-	790,286
Cash and cash equivalents	1,394,523	-	1,394,523	583,738	-	583,738
Total assets	26,429,946	7,938,877	34,368,823	28,245,897	10,923,202	39,169,099
LIABILITIES						
Accrued interest	-	84,000	84,000	-	-	-
Loan payable	-	2,400,000	2,400,000	-	2,400,000	2,400,000
Total liabilities	-	2,484,000	2,484,000	-	2,400,000	2,400,000
Net assets available for benefits	\$ 26,429,946	\$ 5,454,877	\$ 31,884,823	\$ 28,245,897	\$ 8,523,202	\$ 36,769,099

ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended December 31, 2024

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Additions to net assets attributed to:			
Employer contribution	\$ 1,883,105	\$ 564,000	\$ 2,447,105
Interest income	20,639	-	20,639
Allocation of 16,442 shares of Company common stock, at fair value	<u>1,992,065</u>	<u>-</u>	<u>1,992,065</u>
Total additions to net assets	<u>3,895,809</u>	<u>564,000</u>	<u>4,459,809</u>
Deductions from net assets attributed to:			
Net depreciation in fair value of investments	3,828,515	1,556,260	5,384,775
Interest expense	-	84,000	84,000
Distributions to participants	1,879,250	-	1,879,250
Administrative expenses	3,995	-	3,995
Allocation of 16,442 shares of Company common stock, at fair value	<u>-</u>	<u>1,992,065</u>	<u>1,992,065</u>
Total deductions from net assets	<u>5,711,760</u>	<u>3,632,325</u>	<u>9,344,085</u>
Net decrease in net assets	(1,815,951)	(3,068,325)	(4,884,276)
Net assets available for benefits:			
Beginning of year	<u>28,245,897</u>	<u>8,523,202</u>	<u>36,769,099</u>
End of year	<u>\$ 26,429,946</u>	<u>\$ 5,454,877</u>	<u>\$ 31,884,823</u>

ALLIED EXHAUST SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

1. Plan Description

The following brief description of the Allied Exhaust Systems, Inc. Employee Stock Ownership Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for complete information.

Allied Exhaust Systems, Inc. (the "Company") established the Plan, effective January 1, 2013. The Plan is intended to qualify as a stock bonus plan under section 401(a) of the Internal Revenue Code ("IRC") and the regulations thereunder, as amended, and is intended to be a leveraged employee stock ownership plan ("ESOP"), within the meaning of IRC Section 4975(e) (7) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Company is the Plan's administrator, and all contributions are held, managed, and controlled by the trustee acting under the Allied Exhaust Systems, Inc. Employee Stock Ownership Trust (the "Trust") which forms a part of the Plan.

The Plan purchased Company common stock using the proceeds of a loan from the Company and holds the common stock in a trust established under the Plan. As the Plan makes debt payments, an appropriate percentage of stock will be allocated to eligible employee's accounts in accordance with applicable regulations under the IRC.

The borrowing is collateralized by the unallocated shares of common stock and is guaranteed by the Company. The lender has no rights against shares of common stock once they are allocated to participants in accordance with the terms of the ESOP. Accordingly, as of December 31, 2024 and 2023, and for the year ended December 31, 2024, 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 common stock (allocated); and
- b. Common stock not yet allocated to employees (unallocated).

Eligibility

The Plan covers all the employees of the Company who complete one year of service (with 1,000 hours), are at least 21 years of age, are not covered by a collective bargaining agreement and are not leased employees. Employees with service prior to the effective date of the Plan were credited with one year of vesting service for every three Plan years ending prior to the effective date in which the employee is credited with at least 1,000 hours of service.

All employees employed on the effective date of the Plan became a participant on the effective date subject to the limitations and conditions of the Plan.

Participants who do not have at least 1,000 hours of service during the Plan year or are not employed on the last working day of a Plan year are generally not eligible for an allocation of Company contributions for such year.

The primary purpose of this Plan is to enable the eligible employees to share in the growth and prosperity of the Company and to provide participants with an opportunity to accumulate capital for their retirement needs.

ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

1. Plan Description, continued

Employer Contributions

The Plan is a defined contribution plan for which the Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equals 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.

Participant Accounts and Allocations

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each Plan year with an allocation of shares of the Company's common stock released by the trustee from the unallocated account and forfeitures for 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. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance. Participant account balances will reflect changes to the fair market value of the investments.

Vesting and Forfeitures

Vesting in the Company's Plan contribution is based on years of continuous service. An employee's credited service shall be the number of Plan years in which the employee is credited with at least 1,000 hours of service. Contributions vest according to the following schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
Less than 1 year	0%
1	20%
2	40%
3	60%
4	80%
5	100%

Forfeitures of participants' non-vested account balances are reallocated to the remaining participants. Participants become 100% vested in the event of normal retirement, disability or death while employed with the Company. As of December 31, 2024 and 2023, forfeitures of terminated nonvested account balances allocated to remaining participants totaled \$78,879 and \$132,001, respectively.

Break in Service

A participant will incur a break in service during any Plan year in which the participant has been credited with less than 501 hours of service in twelve continuous months, unless certain exceptions are met.

ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

1. Plan Description, continued

Diversification

Participants who have 10 years of Plan participation and who have attained age 55 may elect to diversify a portion of the employer securities held in their ESOP accounts. Diversification is offered to each eligible participant over a 6-year period. In each of the first five years, a participant may diversify up to 25% of the number of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participant's direction must be completed no later than 90 days after the close of the 90-day election period.

Put Option

Participants who receive a distribution of Company stock (and if such Company stock is not immediately repurchased by the Company) are granted two option periods to put the shares to the Company. The first option period is the initial 60 days beginning on the date of distribution. The second option period is the 60 days beginning after the new determination date of fair value for the Company stock, typically the end of the Plan year. The put option is exercisable at retirement, disability, death, or termination of employment and is payable in either a lump sum cash payment or in up to five equal annual installments with interest.

Payment of Benefits

The Plan provides for the distribution of the participant's stock and other investments at retirement, disability, death, or termination of employment. Distribution of accounts less than \$7,000, as per the Plan amendment effective January 1, 2024, will be made as soon as administratively possible in the following year in a lump sum. For balances greater than \$1,000, if participant does not consent, funds will be paid into an individual retirement annuity. The payment of benefits is made at the later of termination date or normal retirement date, unless participant elects the earlier date in a lump sum if account balance is less than \$35,000. Payments will be made in accordance with the following from the Plan document:

If the amount of the participant's nonforfeitable account balances exceeds the lump sum threshold, and the participant's termination date occurs on account of their normal retirement or disability retirement, then the participant's nonforfeitable account balances shall be distributed over a period of 5 years, with the first installment equal to the amount of the lump sum threshold and the remaining installments distributed in substantially equal annual installments over the remaining period, plus 1 year for each \$275,000 (or fraction thereof) by which the nonforfeitable account balances exceed \$1,380,000 (subject to annual cost-of living adjustments), commencing as soon as practicable after completion of the accounting and valuation of the trust fund for the accounting date on the last day of the Plan year, in which occurs the later of the participant's termination date, or the date that the participant would have first been eligible for normal retirement, unless, in the case of disability retirement, the participant elects to have payment commence by the end of an earlier Plan year.

Distributions are also subject to limitations related to each stock borrowing agreement. Distributions shall be in the form of cash as a lump sum or in equal installments over a period of time. The amount to be distributed is based upon the account valuation date immediately preceding the distribution.

ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

1. Plan Description, continued

Voting Rights

All Company stock held by the Trust shall be voted by the trustee in accordance with instructions from the administrative committee. In the event of any corporate matter which would constitute a merger, consolidation, reclassification, liquidation or other related activity as specified under Section 409(e)(3) of the IRC, each participant who has been allocated shares of stock may instruct the trustee as to the voting of those shares.

SECURE Act 2.0

On December 23, 2022, Congress passed the Consolidated Appropriations Act of 2023, which included SECURE Act 2.0. SECURE Act 2.0 contains over 90 new retirement provisions, with varying effective dates through 2027. Since the provisions of SECURE Act 2.0 include both required and optional elements, applicable provisions will be evaluated and implemented in accordance with accompanying regulations and guidance, and the Plan will be amended as required. Certain provisions became effective for 2024, these changes had no material impact to the Plan's financial statements as of December 31, 2024 and 2023, and for the year ended December 31, 2024.

2. Summary of Significant Accounting Policies

Basis of Accounting

The Plan presents its financial statements on the accrual method of accounting with its assets reflected at fair value in accordance to accounting principles generally accepted in the United States of America ("U.S. GAAP") and in accordance with ERISA.

Use of Estimates

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

Allocations

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

Investment Valuation and Income Recognition

The fair value of Allied Exhaust Systems, Inc. common stock will be determined by an independent appraiser appointed by the trustee. Changes in fair value will be recognized currently and recorded as unrealized appreciation or depreciation. Shares transferred from "unallocated" to "allocated" will be transferred at the current year's fair value.

Payment of Benefits

Benefits are recorded when paid.

ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

2. Summary of Significant Accounting Policies, continued

Plan Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of benefits paid to participants are charged directly to the participant's account and are included in administrative expenses.

3. Administration of Plan Assets

The Plan's assets which consist principally of the Company common shares, are held by the trustee of the Plan. Company contributions are held and managed by the trustee, which invests cash received, interest, and dividend income and makes distributions to participants. The trustee is responsible for annually securing a third-party valuation of the Company's stock and also administers the payment of interest and principal on the loan. Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses for the trustee's fees are paid directly by the Company.

4. Fair Value Measurement

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under Financial Accounting Standards Board Accounting Standards Codification 820 are as 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; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

4. Fair Value Measurement, continued

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

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

Cash equivalent: Valued based on redemption values on the last business day of the Plan year.

The fair value of the Company's common stock held by the Plan is valued at estimated fair 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 took into account historical or projected cash flow and net income, return on assets, return on equity, market comparables and estimated fair value of Company assets and liabilities. Plan management has concluded that a market participant would also recognize a discount for lack of marketability.

The valuation process involves the trustee's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the compiled financial statements of the Company. The appraiser prepares a preliminary report, which Plan management, along with the ESOP trustee, reviews in detail, discusses and then the trustee approves. The results of this process are documented in minutes of the Plan fiduciary.

The following tables set forth by level 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 2	Level 3	Total
Cash equivalent	\$ -	\$ 483,560	\$ -	\$ 483,560
Investment in Company common stock	-	-	32,410,300	32,410,300
	\$ -	\$ 483,560	\$ 32,410,300	\$ 32,893,860

	Assets at Fair Value as of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Cash equivalent	\$ -	\$ 462,921	\$ -	\$ 462,921
Investment in Company common stock	-	-	37,795,075	37,795,075
	\$ -	\$ 462,921	\$ 37,795,075	\$ 38,257,996

Changes in Level 3 Assets

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another.

In 2024, there were no transfers, purchases, or distributions of Level 3 assets.

ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

4. Fair Value Measurement, continued

Quantitative Information About Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

Instrument	Fair Value 2024	Fair Value 2023	Principal Valuation Technique	Unobservable Inputs	Range of Inputs
Company common stock	\$ 32,410,300	\$ 37,795,075	Market approach and income approach	<ul style="list-style-type: none"> - Discount for lack of marketability - Weighted-average cost of capital - Implied adjuted EBITDA multiple - Expected future cash flows 	2024 and 2023: 5.0% 2024: 15.5%; 2023: 16.6% 2024: 4.9x - 7.1x; 2023: 4.9x - 6.1x N/A

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

5. Investments

The Plan's investments are held in a separate trust and invested in the Company's common stock. Plan assets were summarized as follows as of December 31:

	2024		2023	
	Allocated	Unallocated	Allocated	Unallocated
Allied Exhaust Systems, Inc. common stock shares:				
Number of shares	206,631	60,869	190,189	77,311
Fair value	\$ 25,035,423	\$ 7,374,877	\$ 26,871,873	\$ 10,923,202
Cost	\$ 5,561,657	\$ 1,638,343	\$ 5,119,106	\$ 2,080,894

6. Plan Termination

Although it has not expressed any intent to do so, the Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, 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. Upon termination of the Plan, the Employee Benefits Administration Committee should direct the trustee to pay all liabilities and expenses to the Trust fund and to sell shares of financed common stock held in the loan suspense account to the extent it determines such sale to be necessary in order to repay the loan.

ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

7. Income Tax Status

The Plan has been designed to qualify under Section 401(a) of the IRC as a tax exempt organization. The Plan's counsel believes it has been operating in accordance with regulations.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the Internal Revenue Service. The Company does not believe the Plan has any uncertain tax positions. The Plan may be subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

8. Risks and Uncertainties

The Plan's investments consist primarily of the Company's common stock. The stock is exposed to various risks, such as interest rate, market fluctuations, and credit risks. Due to the level of risk associated with the Company's common stock, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for Plan benefits. Additionally, participants or other users of the financial statements may not agree with the stock valuation.

9. Stock Acquisitions and Loan Payable

On February 11, 2014, the trustee of the Trust and the Company entered a stock subscription agreement. Under this agreement, the Trust subscribed to purchase 267,500 shares of the Company's common stock for an aggregate purchase price of \$7,200,000. Simultaneously, as part of this agreement, the Company agreed to redeem all of its capital stock held by shareholders.

On the same date, the trustee and the Company entered into a \$7,200,000 promissory note as the form of payment for the shares. The promissory note calls for interest and principal payments from time to time at the rate of interest of 3.5% per annum. The balance of the note shall be payable in 12 equal annual installments of principal in the amount of \$480,000, plus interest beginning on December 31, 2014 and on December 31 each year thereafter until paid in full. As of December 31, 2024 and 2023, the outstanding balance of the loan was \$2,400,000. As the employer contribution was receivable as of December 31, 2024, the loan payment was deferred to and made in January 2025. The loan was not in default as of December 31, 2024 as this is permitted under terms of the loan payable agreement.

As of December 31, 2024, the future annual maturities on the related-party notes are as follows:

Year ending December 31:	
2025	\$ 960,000
2026	480,000
2027	480,000
2028	480,000
	<hr/>
	\$ 2,400,000

ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

9. Stock Acquisitions and Loan Payable, continued

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. The Company remitted the loan payment in January 2025 and this resulted in 16,442 shares being released and allocated for the Plan year ended December 31, 2024.

10. 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 which are allowed per ERISA guidelines.

11. Subsequent Events

In accordance with accounting standards affecting disclosures of subsequent events, the Plan evaluated subsequent events for recognition and disclosure through October 8, 2025, the date which these financial statements were available to be issued. Plan management concluded that other than the \$480,000 loan payment in January 2025, no material subsequent events have occurred since December 31, 2024 that require recognition or disclosure in these financial statements.

SUPPLEMENTAL SCHEDULE

**ALLIED EXHAUST SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

EIN: 68-0136255

Plan Number 003

Schedule H, Line 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

As of December 31, 2024

(a)	(b)	(c)	(d)	(e)
Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value	
* Allied Exhaust Systems, Inc.	267,500 Common Stock	\$ 7,200,000	\$ 32,410,300	
Cash	Cash	\$ 910,963	\$ 910,963	
Bank Certificate of Deposit	Cash Equivalent	\$ 483,560	\$ 483,560	

* Party-in-interest

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

Name of Plan:

▶ Allied Exhaust Systems, Inc. Employee Stock Ownership Plan

Employer Identification Number: ▶ 68-0136255

For plan year (beginning/ending): ▶ 1/1/2024 to 12/31/2024

Plan number: ▶

003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
*	Allied Exhaust Systems, Inc.	267,500 Shares Common Stock	7,200,000	32,410,300
	Bank Certificate of Deposit	Cash Equivalent	483,560	483,560
	Cash	Cash	910,963	910,963
*	Party-in-interest			