

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

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.

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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: ARION SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 003
1c Effective date of plan: 01/01/2006
2a Plan sponsor's name (employer, if for a single-employer plan): ARION SYSTEMS, INC.
2b Employer Identification Number (EIN): 54-1348263
2c Plan Sponsor's telephone number: 703-815-1130
2d Business code (see instructions): 541330

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, Date, and Name. Rows include entries for Terri Shaulis (plan administrator) and Michael Gibby (employer/plan sponsor).

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

Form 5500 (2024) v. 240311

3a Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor ARION SYSTEMS, INC. 15040 CONFERENCE CENTER DR, STE 200 CHANTILLY, VA 20151	3b Administrator's EIN 54-1348263 3c Administrator's telephone number 703-815-1130
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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
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5 Total number of participants at the beginning of the plan year	5	128
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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	6a(1)	118
a(2) Total number of active participants at the end of the plan year	6a(2)	126
b Retired or separated participants receiving benefits.....	6b	3
c Other retired or separated participants entitled to future benefits	6c	1
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d	130
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e	0
f Total. Add lines 6d and 6e	6f	130
g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)	6g(1)	128
g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g(2)	130
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	5

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
 2I 2O 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) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

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

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024	
A Name of plan ARION 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 ARION SYSTEMS, INC.	D Employer Identification Number (EIN) 54-1348263

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

Assets	(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions	1b(1)	
(2) Participant contributions	1b(2)	
(3) Other	1b(3)	2211
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	410418
(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)	10742754	10404817
(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	11034680	10817446
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	11034680	10817446

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)	724548	
(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)		724548
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	26536	
(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)		26536
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)	1668000	
(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)		1668000
(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)	-337937	
(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		2081147

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	828083	
(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)		828083
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
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		828083

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1253064
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		1470298

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: **DAVIDSON, DOYLE & HILTON**

(2) EIN: **54-1953476**

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		2000000
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)
ARION SYSTEMS, INC. PROFIT SHARING PLAN	54-1348263	002

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>ARION 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>ARION SYSTEMS, INC.</u>	D Employer Identification Number (EIN) <u>54-1348263</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): 71-0057070

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 _____.



**Arion Systems, Inc.
Employee Stock Ownership Plan**

**Financial Statements
and Supplemental Schedule
For the years ended
December 31, 2024 and 2023**





Arion Systems, Inc.
Employee Stock Ownership Plan

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Report of Independent Auditors

The Plan Committee of
Arion Systems, Inc.
Employee Stock Ownership Plan
Chantilly, Virginia

Opinion

We have audited the accompanying financial statements of Arion Systems, Inc. Employee Stock Ownership Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of December 31, 2024 and 2023, and the related statements of changes in net assets available for benefits for the years 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 Arion Systems, Inc. Employee Stock Ownership Plan as of December 31, 2024 and 2023, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Arion Systems, Inc. Employee Stock Ownership Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Arion Systems, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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





Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Arion Systems, Inc. Employee Stock Ownership Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Arion Systems, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

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

Supplemental Schedules 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, Part IV, line 4i - Schedule of Assets Held (At End of Year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to 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.

A handwritten signature in blue ink that reads "Davidson Dafe & Hiltner, LLP".

Lynchburg, Virginia
October 8, 2025





Arion Systems, Inc.
Employee Stock Ownership Plan
Statements of Net Assets Available for Plan Benefits
December 31, 2024 and 2023

Assets	<u>2024</u>	<u>2023</u>
Non-Participant Directed: Investments, at fair value		
Cash and cash equivalents	\$ 410,418	\$ 289,543
Investment in sponsor company common stock, allocated	<u>10,404,817</u>	<u>10,742,754</u>
Total investments at fair value	10,815,235	11,032,297
Receivables		
Accrued interest	<u>2,211</u>	<u>2,383</u>
Total receivables	2,211	2,383
Total assets	<u>10,817,446</u>	<u>11,034,680</u>
Net Assets Available for Plan Benefits	<u>\$ 10,817,446</u>	<u>\$ 11,034,680</u>





Arion Systems, Inc.
Employee Stock Ownership Plan
Statements of Changes in Net Assets Available for Plan Benefits
For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Investment income		
Interest income	\$ 26,536	\$ 20,544
Dividends	1,668,000	1,251,000
Net appreciation (depreciation) of company stock	(337,937)	1,297,034
Total investment income	1,356,599	2,568,578
Contributions		
Employer contributions	724,548	1,064,275
Total contributions	724,548	1,064,275
Total additions	2,081,147	3,632,853
Deductions from Net Assets		
Benefits paid to participants	828,083	1,103,126
Total deductions	828,083	1,103,126
Net increase	1,253,064	2,529,727
Transfer out of Plan Assets	(1,470,298)	(1,132,152)
Total increase (decrease)	(217,234)	1,397,575
Net Assets Available for Benefits		
Beginning of year	11,034,680	9,637,105
End of year	\$ <u>10,817,446</u>	\$ <u>11,034,680</u>





**Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023**

Note 1 – Description of Plan

The following description of the Arion Systems, Inc. (“Company” or “Employer”) Employee Stock Ownership Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General

The Plan, originally effective January 1, 2006, is an Employee Stock Ownership Plan as defined in Section 4975(e) of the Internal Revenue Code and intended to qualify under Section 401(a) of the Internal Revenue Code. The Plan covers substantially all full-time employees of the Employer who have completed one year of service and have attained age 21. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan is administered by an Administrative Committee whose members are appointed by the Employer’s Board of Directors. The Plan was amended December 1, 2020.

Administration

The Plan is administered by a Board of Trustees. The Plan’s assets and Company contributions are held and managed by the Trustees, which invest cash received, generate interest, and dividend income and make distributions to participants.

Officers or employees of the Company perform certain administrative functions. No such officer or employee receives compensation from the Plan.

Contributions

Employer ESOP contributions are determined annually by and at the discretion of the Company’s Board of Directors. The Company is an S-Corporation and as such S-Corp dividends are determined annually and distributed to the Plan as approved.

Participant Accounts

Each participant’s account is credited with the Employer’s discretionary contributions and forfeitures of terminated participants’ non-vested accounts, and an allocation of Plan earnings. ESOP discretionary contribution allocations and forfeiture allocations are based on participant earnings and years of service, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s account.

Vesting

Vesting in the Employer’s contributions plus earnings occurs upon the completion of three years of service after meeting eligibility requirements. A participant becomes 100% vested in the Employer’s contributions if termination occurs due to retirement, disability or death.

Forfeitures

Forfeitures are added to the Employer’s contribution for the Plan year during which the Forfeiture occurs and are allocated to participant accounts based on participant’s percentage of eligible compensation to the Plan’s total eligible compensation. For the years ended December 31, 2024 and 2023, forfeitures of terminated participants’ non-vested accounts totaled \$14,234 and 32.4515 shares of company stock and \$9,254 and 27.1570 shares of company stock, respectively.





Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Note 1 – Description of Plan (continued)

Put Option

Under Federal income tax regulations, employer stock held by the Plan and its participants that is not readily tradable on an established market, or is subject to trading limitations includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The 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 nearing retirement so they may have the opportunity to move part of the value of their investment in Employer stock into investments that are more diversified. Participants who are at least age 55 with 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%.

Payment of benefits

Upon termination of service by reason of death, disability, retirement or termination, distribution of a participant's vested account balance will normally be paid out over one to five years, depending on the amount. The Plan was amended effective December 1, 2020, to provide that regardless of the reason of termination, Company Stock allocated to the account of a participant who terminates employment with the Company during the year will be converted to cash as of the Valuation Date coincident with or next following the termination. Company Stock allocated to the accounts of participants who terminated due to death, disability, or retirement prior to 2020 will be converted to cash using the valuation in effect on December 1, 2020.

Vested participants also have the option to transfer current year dividends and earnings to the Company's Profit Sharing Plan.

Administrative Costs

Plan administrative expenses may be paid by either the plan or the Employer on a discretionary basis. For 2024 and 2023, the Employer paid substantially all of the plan expenses.

Note 2 – Summary of Significant Accounting Policies

Basis of accounting

The financial statements of the Plan are prepared using the accrual basis of accounting.

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 certain reported amounts of assets, liabilities, and changes therein at the date of the financial statements, the reported amounts of revenues and expenses during the reporting period and disclosure to contingent assets and liabilities. Accordingly, actual results may differ from those estimates.





Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Note 2 – Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash equivalents are deposits of cash in money market accounts subject to withdrawal on demand. Both cash and cash equivalents are on deposit with one financial institution. Balances may exceed the FDIC (Federal Deposit Insurance Corporation) limit of \$250,000; however, management does not anticipate a loss on this account.

Investment valuation and income recognition

The Plan's investment in sponsor company common stock is based on the value as determined by independent appraisal.

Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation in fair value of investments includes investments bought, sold, and held during the year at the appraised stock value.

Payment of Benefits

Benefit payments are recorded when paid.

Credit risk

Investment in sponsor company common stock, in general, is exposed to various risks, such as interest rate, credit, overall market volatility and the company's overall financial position and projection. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of net assets available for benefit.

Note 3 – Fair Value Measurements

FASB ASC 820 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 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 <ul style="list-style-type: none"> • quoted prices for similar assets or liabilities in active markets; • quoted prices for identical or similar assets or liabilities in inactive markets; • inputs other than quoted prices that are observable for the asset or liability; • inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.





Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Note 3 – Fair Value Measurements (continued)

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

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.

Investment in sponsor company common stock: Valued at the fair market value per share as determined by independent appraisal.

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.

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

	Assets at Fair Value as of December 31, 2024			
	Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 410,418	\$ 410,418	\$ -	\$ -
Investment in sponsor company common stock	10,404,817	-	-	10,404,817
Total	\$ 10,815,235	\$ 410,418	\$ -	\$ 10,404,817

The following table sets forth by level, within the fair value hierarchy, the plan's assets at fair value as of December 31, 2023:

	Assets at Fair Value as of December 31, 2023			
	Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 289,543	\$ 289,543	\$ -	\$ -
Investment in sponsor company common stock	10,742,754	-	-	10,742,754
Total	\$ 11,032,297	\$ 289,543	\$ -	\$ 10,742,754





Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Note 3 – Fair Value Measurements (continued)

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:

	Investment in Sponsor Company Common Stock	Total
December 31, 2024		
Beginning balance	\$ 10,742,754	\$ 10,742,754
Total gains (losses) realized and unrealized included in changes in net assets available for benefits	(337,937)	(337,937)
Purchases, sales, dividends, and forfeitures (net)	-	-
Ending balance	<u>\$ 10,404,817</u>	<u>\$ 10,404,817</u>
December 31, 2023		
Beginning balance	\$ 9,445,467	\$ 9,445,467
Total gains (losses) realized and unrealized included in changes in net assets available for benefits	1,297,034	1,297,034
Purchases, sales, dividends, and forfeitures (net)	-	-
Ending balance	<u>\$ 10,742,754</u>	<u>\$ 10,742,754</u>

The following table represents the plan's level 3 investments, the valuation techniques used to measure the fair value of these investments, and the significant unobservable inputs:

Investment	Fair Value	Principal Valuation Techniques	Unobservable Inputs
Arion Systems, Inc. Common Stock	\$ 10,404,817	Discounted Cash Flow Method	Required rate of return Minority interest discount Marketability
		Guideline Company Method	Growth rate Excess cash adjustment

Note 4 – Investment in Employer Securities

The Plan's investments in Arion Systems, Inc. common stock at December 31, 2024 and 2023 are as follows:

	2024 Allocated	2023 Allocated
Number of shares	8,340	8,340
Cost	\$ 7,971,560	\$ 7,971,560
Fair value	\$ 10,404,817	\$ 10,742,754

The Company's common stock at December 31, 2024 and 2023, represents 96.18% and 97.35% of net assets available for benefits, respectively, whose values have been estimated (with the assistance of an independent valuation specialist) in the absence of readily ascertainable market values. Because of the inherent subjectivity in any valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.





Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Note 5 – Tax Status

The Internal Revenue Service has determined and informed the Employer by letter dated December 1, 2014, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated, in compliance with the applicable requirements of the Internal Revenue Code and therefore, believe 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 be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2024 and 2023, no uncertain positions are taken or are expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions. The Plan administrator believes it is no longer subject to income tax examinations for the years prior to December 31, 2021.

Note 6 – Related Party Transactions

At December 31, 2024 and 2023, the Plan owned 38% of the Employer's outstanding common stock.

The trustee of the Plan is also a participant in the Plan and his account balance totaled approximately 4% of the net assets available for benefits as of December 31, 2024 and 2023.

Certain administrative functions are performed by officers or employees of the Company. One officer of the Company is a member of the Plan's Administrative Committee and is also a participant in the Plan. No such officer or employee received compensation from the Plan.

Note 7 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

Note 8 – Unallocated and Allocated Net Assets

As of December 31, 2024 and 2023, all net assets of the Plan have been allocated to the participants' accounts.

Note 9 – Plan to Plan Transfer

Vested participants of the Plan are eligible to transfer current year dividends and earnings to the Plan Sponsor's Profit Sharing Plan. Eligible participants nearing retirement that meet the requirements may also transfer diversifications to the Plan Sponsor's Profit Sharing Plan. Total plan to plan transfers as of December 31, 2024 and 2023 were \$1,470,298 and \$1,132,152, respectively.

Note 10 - Subsequent events

The Plan has evaluated subsequent events through October 8, 2025, the date the report is available for issuance. No events requiring disclosure have been noted.





SUPPLEMENTARY INFORMATION





Arion Systems, Inc.
Employee Stock Ownership Plan
Schedule of Assets (Held at End of Year)
December 31, 2024
EIN# 54-1348263 Plan #003
(Form 5500, Schedule H, Part IV, line 4i)

(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
	First Foundation Bank Money Market	410,418 shares	\$ 410,418	\$ 410,418
	Common Stock:			
*	Arion Systems, Inc.			
*	Allocated to participants	8,340 shares	7,971,560	<u>10,404,817</u>
	Total			\$ <u>10,815,235</u>

*Party-in-interest





**Arion Systems, Inc.
Employee Stock Ownership Plan**

**Financial Statements
and Supplemental Schedule
For the years ended
December 31, 2024 and 2023**





Arion Systems, Inc.
Employee Stock Ownership Plan

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Report of Independent Auditors

The Plan Committee of
Arion Systems, Inc.
Employee Stock Ownership Plan
Chantilly, Virginia

Opinion

We have audited the accompanying financial statements of Arion Systems, Inc. Employee Stock Ownership Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of December 31, 2024 and 2023, and the related statements of changes in net assets available for benefits for the years 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 Arion Systems, Inc. Employee Stock Ownership Plan as of December 31, 2024 and 2023, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Arion Systems, Inc. Employee Stock Ownership Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Arion Systems, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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





Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Arion Systems, Inc. Employee Stock Ownership Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Arion Systems, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

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

Supplemental Schedules 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, Part IV, line 4i - Schedule of Assets Held (At End of Year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to 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.

Lynchburg, Virginia
October 8, 2025





Arion Systems, Inc.
Employee Stock Ownership Plan
Statements of Net Assets Available for Plan Benefits
December 31, 2024 and 2023

Assets	<u>2024</u>	<u>2023</u>
Non-Participant Directed: Investments, at fair value		
Cash and cash equivalents	\$ 410,418	\$ 289,543
Investment in sponsor company common stock, allocated	<u>10,404,817</u>	<u>10,742,754</u>
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Receivables		
Accrued interest	<u>2,211</u>	<u>2,383</u>
Total receivables	2,211	2,383
Total assets	<u>10,817,446</u>	<u>11,034,680</u>
Net Assets Available for Plan Benefits	\$ <u><u>10,817,446</u></u>	\$ <u><u>11,034,680</u></u>





Arion Systems, Inc.
Employee Stock Ownership Plan
Statements of Changes in Net Assets Available for Plan Benefits
For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Investment income		
Interest income	\$ 26,536	\$ 20,544
Dividends	1,668,000	1,251,000
Net appreciation (depreciation) of company stock	(337,937)	1,297,034
Total investment income	1,356,599	2,568,578
Contributions		
Employer contributions	724,548	1,064,275
Total contributions	724,548	1,064,275
Total additions	2,081,147	3,632,853
Deductions from Net Assets		
Benefits paid to participants	828,083	1,103,126
Total deductions	828,083	1,103,126
Net increase	1,253,064	2,529,727
Transfer out of Plan Assets	(1,470,298)	(1,132,152)
Total increase (decrease)	(217,234)	1,397,575
Net Assets Available for Benefits		
Beginning of year	11,034,680	9,637,105
End of year	\$ <u>10,817,446</u>	\$ <u>11,034,680</u>





**Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023**

Note 1 – Description of Plan

The following description of the Arion Systems, Inc. (“Company” or “Employer”) Employee Stock Ownership Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General

The Plan, originally effective January 1, 2006, is an Employee Stock Ownership Plan as defined in Section 4975(e) of the Internal Revenue Code and intended to qualify under Section 401(a) of the Internal Revenue Code. The Plan covers substantially all full-time employees of the Employer who have completed one year of service and have attained age 21. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan is administered by an Administrative Committee whose members are appointed by the Employer’s Board of Directors. The Plan was amended December 1, 2020.

Administration

The Plan is administered by a Board of Trustees. The Plan’s assets and Company contributions are held and managed by the Trustees, which invest cash received, generate interest, and dividend income and make distributions to participants.

Officers or employees of the Company perform certain administrative functions. No such officer or employee receives compensation from the Plan.

Contributions

Employer ESOP contributions are determined annually by and at the discretion of the Company’s Board of Directors. The Company is an S-Corporation and as such S-Corp dividends are determined annually and distributed to the Plan as approved.

Participant Accounts

Each participant’s account is credited with the Employer’s discretionary contributions and forfeitures of terminated participants’ non-vested accounts, and an allocation of Plan earnings. ESOP discretionary contribution allocations and forfeiture allocations are based on participant earnings and years of service, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s account.

Vesting

Vesting in the Employer’s contributions plus earnings occurs upon the completion of three years of service after meeting eligibility requirements. A participant becomes 100% vested in the Employer’s contributions if termination occurs due to retirement, disability or death.

Forfeitures

Forfeitures are added to the Employer’s contribution for the Plan year during which the Forfeiture occurs and are allocated to participant accounts based on participant’s percentage of eligible compensation to the Plan’s total eligible compensation. For the years ended December 31, 2024 and 2023, forfeitures of terminated participants’ non-vested accounts totaled \$14,234 and 32.4515 shares of company stock and \$9,254 and 27.1570 shares of company stock, respectively.





Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Note 1 – Description of Plan (continued)

Put Option

Under Federal income tax regulations, employer stock held by the Plan and its participants that is not readily tradable on an established market, or is subject to trading limitations includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The 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 nearing retirement so they may have the opportunity to move part of the value of their investment in Employer stock into investments that are more diversified. Participants who are at least age 55 with 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%.

Payment of benefits

Upon termination of service by reason of death, disability, retirement or termination, distribution of a participant's vested account balance will normally be paid out over one to five years, depending on the amount. The Plan was amended effective December 1, 2020, to provide that regardless of the reason of termination, Company Stock allocated to the account of a participant who terminates employment with the Company during the year will be converted to cash as of the Valuation Date coincident with or next following the termination. Company Stock allocated to the accounts of participants who terminated due to death, disability, or retirement prior to 2020 will be converted to cash using the valuation in effect on December 1, 2020.

Vested participants also have the option to transfer current year dividends and earnings to the Company's Profit Sharing Plan.

Administrative Costs

Plan administrative expenses may be paid by either the plan or the Employer on a discretionary basis. For 2024 and 2023, the Employer paid substantially all of the plan expenses.

Note 2 – Summary of Significant Accounting Policies

Basis of accounting

The financial statements of the Plan are prepared using the accrual basis of accounting.

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 certain reported amounts of assets, liabilities, and changes therein at the date of the financial statements, the reported amounts of revenues and expenses during the reporting period and disclosure to contingent assets and liabilities. Accordingly, actual results may differ from those estimates.





Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Note 2 – Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash equivalents are deposits of cash in money market accounts subject to withdrawal on demand. Both cash and cash equivalents are on deposit with one financial institution. Balances may exceed the FDIC (Federal Deposit Insurance Corporation) limit of \$250,000; however, management does not anticipate a loss on this account.

Investment valuation and income recognition

The Plan’s investment in sponsor company common stock is based on the value as determined by independent appraisal.

Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation in fair value of investments includes investments bought, sold, and held during the year at the appraised stock value.

Payment of Benefits

Benefit payments are recorded when paid.

Credit risk

Investment in sponsor company common stock, in general, is exposed to various risks, such as interest rate, credit, overall market volatility and the company’s overall financial position and projection. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of net assets available for benefit.

Note 3 – Fair Value Measurements

FASB ASC 820 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 prices for identical assets or liabilities in active markets that the plan has the ability to access.
Level 2	<p>Inputs to the valuation methodology include</p> <ul style="list-style-type: none"> • 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. <p>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.</p>
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.





Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Note 3 – Fair Value Measurements (continued)

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

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.

Investment in sponsor company common stock: Valued at the fair market value per share as determined by independent appraisal.

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.

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

	Assets at Fair Value as of December 31, 2024			
	Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 410,418	\$ 410,418	\$ -	\$ -
Investment in sponsor company common stock	10,404,817	-	-	10,404,817
Total	\$ 10,815,235	\$ 410,418	\$ -	\$ 10,404,817

The following table sets forth by level, within the fair value hierarchy, the plan's assets at fair value as of December 31, 2023:

	Assets at Fair Value as of December 31, 2023			
	Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 289,543	\$ 289,543	\$ -	\$ -
Investment in sponsor company common stock	10,742,754	-	-	10,742,754
Total	\$ 11,032,297	\$ 289,543	\$ -	\$ 10,742,754





Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Note 3 – Fair Value Measurements (continued)

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:

	Investment in Sponsor Company Common Stock	Total
December 31, 2024		
Beginning balance	\$ 10,742,754	\$ 10,742,754
Total gains (losses) realized and unrealized included in changes in net assets available for benefits	(337,937)	(337,937)
Purchases, sales, dividends, and forfeitures (net)	-	-
Ending balance	<u>\$ 10,404,817</u>	<u>\$ 10,404,817</u>
December 31, 2023		
Beginning balance	\$ 9,445,467	\$ 9,445,467
Total gains (losses) realized and unrealized included in changes in net assets available for benefits	1,297,034	1,297,034
Purchases, sales, dividends, and forfeitures (net)	-	-
Ending balance	<u>\$ 10,742,754</u>	<u>\$ 10,742,754</u>

The following table represents the plan's level 3 investments, the valuation techniques used to measure the fair value of these investments, and the significant unobservable inputs:

Investment	Fair Value	Principal Valuation Techniques	Unobservable Inputs
Arion Systems, Inc. Common Stock	\$ 10,404,817	Discounted Cash Flow Method	Required rate of return Minority interest discount Marketability
		Guideline Company Method	Growth rate Excess cash adjustment

Note 4 – Investment in Employer Securities

The Plan's investments in Arion Systems, Inc. common stock at December 31, 2024 and 2023 are as follows:

	2024 Allocated	2023 Allocated
Number of shares	8,340	8,340
Cost	\$ 7,971,560	\$ 7,971,560
Fair value	\$ 10,404,817	\$ 10,742,754

The Company's common stock at December 31, 2024 and 2023, represents 96.18% and 97.35% of net assets available for benefits, respectively, whose values have been estimated (with the assistance of an independent valuation specialist) in the absence of readily ascertainable market values. Because of the inherent subjectivity in any valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.





Arion Systems, Inc.
Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2024 and 2023

Note 5 – Tax Status

The Internal Revenue Service has determined and informed the Employer by letter dated December 1, 2014, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated, in compliance with the applicable requirements of the Internal Revenue Code and therefore, believe 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 be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2024 and 2023, no uncertain positions are taken or are expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions. The Plan administrator believes it is no longer subject to income tax examinations for the years prior to December 31, 2021.

Note 6 – Related Party Transactions

At December 31, 2024 and 2023, the Plan owned 38% of the Employer's outstanding common stock.

The trustee of the Plan is also a participant in the Plan and his account balance totaled approximately 4% of the net assets available for benefits as of December 31, 2024 and 2023.

Certain administrative functions are performed by officers or employees of the Company. One officer of the Company is a member of the Plan's Administrative Committee and is also a participant in the Plan. No such officer or employee received compensation from the Plan.

Note 7 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

Note 8 – Unallocated and Allocated Net Assets

As of December 31, 2024 and 2023, all net assets of the Plan have been allocated to the participants' accounts.

Note 9 – Plan to Plan Transfer

Vested participants of the Plan are eligible to transfer current year dividends and earnings to the Plan Sponsor's Profit Sharing Plan. Eligible participants nearing retirement that meet the requirements may also transfer diversifications to the Plan Sponsor's Profit Sharing Plan. Total plan to plan transfers as of December 31, 2024 and 2023 were \$1,470,298 and \$1,132,152, respectively.

Note 10 - Subsequent events

The Plan has evaluated subsequent events through October 8, 2025, the date the report is available for issuance. No events requiring disclosure have been noted.





SUPPLEMENTARY INFORMATION





Arion Systems, Inc.
Employee Stock Ownership Plan
Schedule of Assets (Held at End of Year)
December 31, 2024
EIN# 54-1348263 Plan #003
(Form 5500, Schedule H, Part IV, line 4i)

(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
	First Foundation Bank Money Market	410,418 shares	\$ 410,418	\$ 410,418
	Common Stock:			
*	Arion Systems, Inc.			
*	Allocated to participants	8,340 shares	7,971,560	<u>10,404,817</u>
	Total			\$ <u>10,815,235</u>

*Party-in-interest

