

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

Department of the Treasury Internal Revenue Service

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

2024

Department of Labor Employee Benefits Security Administration

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

Pension Benefit Guaranty Corporation

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

- A This return/report is for: [] a multiemployer plan [] a multiple-employer plan... [X] a single-employer plan [] a DFE... B This return/report is: [] the first return/report [] the final return/report... [X] 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: [X] 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: RH2 ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 002
1c Effective date of plan: 01/01/2005
2a Plan sponsor's name (employer, if for a single-employer plan): RH2 ENGINEERING INC.
2b Employer Identification Number (EIN): 91-1108443
2c Plan Sponsor's telephone number: 425-951-5400
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: 1. Filed with authorized/valid electronic signature, 10/15/2025, JACOB SUTHERLAND; 2. Signature of plan administrator; 3. Filed with authorized/valid electronic signature, 10/15/2025, JACOB SUTHERLAND; 4. Signature of employer/plan sponsor; 5. Signature of 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	170
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)	130
	6a(2)	124
	6b	12
	6c	15
	6d	151
	6e	0
	6f	151
	6g(1)	157
6g(2)	151	
6h	1	
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 2O 3H 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 checked="" type="checkbox"/> Insurance	(1) <input checked="" 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 0
- (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 1
- (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 A
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

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

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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 RH2 ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 RH2 ENGINEERING INC.		D Employer Identification Number (EIN) 91-1108443	

Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
STANDARD INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
93-0242990	69019	107695	0	01/01/2024	12/31/2024

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid 0	(b) Total amount of fees paid 0
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3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information
 Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	0
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	0

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b Premiums paid to carrier **6b**

c Premiums due but unpaid at the end of the year **6c**

d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**
 Specify nature of costs ▶

e Type of contract: (1) individual policies (2) group deferred annuity
 (3) other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) deposit administration (2) immediate participation guarantee
 (3) guaranteed investment (4) other ▶

b Balance at the end of the previous year **7b**

c Additions: (1) Contributions deposited during the year **7c(1)**
 (2) Dividends and credits..... **7c(2)**
 (3) Interest credited during the year..... **7c(3)**
 (4) Transferred from separate account **7c(4)**
 (5) Other (specify below)..... **7c(5)**
 ▶

(6) Total additions **7c(6)**

d Total of balance and additions (add lines **7b** and **7c(6)**) **7d**

e Deductions:
 (1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)**
 (2) Administration charge made by carrier..... **7e(2)**
 (3) Transferred to separate account **7e(3)**
 (4) Other (specify below)..... **7e(4)**
 ▶

(5) Total deductions **7e(5)**

f Balance at the end of the current year (subtract line **7e(5)** from line **7d**)..... **7f**

Part III Welfare Benefit Contract Information
 If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** Health (other than dental or vision)
 b Dental
 c Vision
 d Life insurance
 e Temporary disability (accident and sickness)
 f Long-term disability
 g Supplemental unemployment
 h Prescription drug
 i Stop loss (large deductible)
 j HMO contract
 k PPO contract
 l Indemnity contract
 m Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received		9a(1)	
(2) Increase (decrease) in amount due but unpaid		9a(2)	
(3) Increase (decrease) in unearned premium reserve		9a(3)	
(4) Earned ((1) + (2) - (3))			9a(4)
b Benefit charges (1) Claims paid		9b(1)	
(2) Increase (decrease) in claim reserves		9b(2)	
(3) Incurred claims (add (1) and (2))			9b(3)
(4) Claims charged			9b(4)
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention			9c(1)(H)
(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)			9c(2)
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			9d(1)
(2) Claim reserves			9d(2)
(3) Other reserves			9d(3)
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)			9e

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. Specify nature of costs.	10b

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? Yes No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (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>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ 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 RH2 ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 RH2 ENGINEERING INC.	D Employer Identification Number (EIN) 91-1108443	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... Yes No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

CHARLES SCHWAB TRUST BANK

94-1737782

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

TRUTINA FINANCIAL LLC

47-0995939

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 51	INVESTMENT ADVISORY	18787	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

CHARLES SCHWAB TRUST BANK

94-1737782

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49 99	OTHER SERVICES	1542	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	1542	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024	
A Name of plan RH2 ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 RH2 ENGINEERING INC.	D Employer Identification Number (EIN) 91-1108443

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

	(a) Beginning of Year	(b) End of Year
Assets		
a Total noninterest-bearing cash	1a	
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions	1b(1)	100000
(2) Participant contributions	1b(2)	
(3) Other	1b(3)	1220276
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1880947
(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)	1888220
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	1257052
(15) Other.....	1c(15)	

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	10324482	10310445
(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	14598270	17556940
Liabilities			
g Benefit claims payable.....	1g	6125	
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	6125	0
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	14592145	17556940

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)	2008910	
(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)		2008910
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	148858	
(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)	15547	
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		164405
(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)	206807	
(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)		10314
c Other income	2c		931560
d Total income. Add all income amounts in column (b) and enter total	2d		3321996

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	336872	
(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)		336872
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)	1542	
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)	18787	
(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)		20329
j Total expenses. Add all expense amounts in column (b) and enter total	2j		357201

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2964795
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: **ALEGRIA & COMPANY, PS**

(2) EIN: **91-0856953**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) This form is filed for a CCT, PSA, DCG or MTIA. (2) It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? Yes No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) Yes No Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2024 This Form is Open to Public Inspection.
--	---	--

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

A Name of plan <u>RH2 ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>RH2 ENGINEERING INC.</u>	D Employer Identification Number (EIN) <u>91-1108443</u>	

Part I	Distributions
---------------	----------------------

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
---	--	---

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): 42-0127290

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	
---	--

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.)
----------------	---

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
-----------------	-------------------

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.
----------------	---

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 _____.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Financial Statements and ERISA - Required Supplemental Information

December 31, 2024 and 2023

TABLE OF CONTENTS

Independent Auditor's Report	1 - 3
Statements of Net Assets Available for Benefits	4
Statements of Changes in Net Assets Available for Benefits	5
Notes to Financial Statements	6 - 13
Supplementary Information Required by the Department of Labor	
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	14
Schedule H, Line 4j - Schedule of Reportable Transactions	15

ALEGRIA

CERTIFIED PUBLIC ACCOUNTANTS

INSURANCE SERVICES • ASSET MANAGEMENT

INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
RH2 Engineering, Inc.
Employee Stock Ownership Plan
Bothell, Washington

Opinion

We have audited the financial statements of RH2 Engineering, 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 statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements (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 years then ended, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 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 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, individually or in the aggregate, they would influence the judgement 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 audits;
- 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 audits 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; and
- 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.

To the Plan Administrator
RH2 Engineering, Inc.
Employee Stock Ownership Plan
Page 3

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 schedules of Schedule H, line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2024, and Schedule H, Line 4j – Schedule of Reportable Transactions as of December 31, 2024, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor’s (DOL) *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 schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the DOL’s *Rules and Regulations for Reporting and Disclosure* under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content is presented in conformity with the DOL’s *Rules and Regulations for Reporting and Disclosure* under ERISA.

Alquia & Company, P.S.

Yakima, Washington
October 13, 2025

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Net Assets Available for Benefits

December 31, 2024 and 2023

	2024	2023
<u>Assets</u>		
Cash and cash equivalents	\$ 1,880,947	\$ 1,448,486
Investments, at fair value	12,198,665	11,022,055
Investments, at contract value		
Guaranteed investment contract	1,257,052	1,624,769
Receivables		
Employer contributions	1,000,000	-
Acquisition loans	869,453	287,965
Stock sale receivables	350,823	214,995
Total receivables	2,220,276	502,960
Total assets	\$ 17,556,940	\$ 14,598,270
<u>Liabilities</u>		
Liabilities	\$ -	\$ -
Net assets available for benefits	\$ 17,556,940	\$ 14,598,270

See accompanying notes to financial statements.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2024 and 2023

	2024	2023
Additions to net assets attributed to:		
Investment income		
Interest and dividends	\$ 164,405	\$ 59,377
Net appreciation in the fair value of investments	<u>1,148,681</u>	<u>4,114,590</u>
Total investment income	1,313,086	4,173,967
Employer contributions	<u>2,008,910</u>	<u>976,708</u>
Total additions	<u>3,321,996</u>	<u>5,150,675</u>
Deductions from net assets attributed to:		
Benefits paid to participants	342,997	366,149
Investment expenses	<u>20,329</u>	<u>16,755</u>
Total deductions	<u>363,326</u>	<u>382,904</u>
Change in net assets available for benefits	2,958,670	4,767,771
Net assets available for benefits, beginning of year	<u>14,598,270</u>	<u>9,830,499</u>
Net assets available for benefits, end of year	<u>\$ 17,556,940</u>	<u>\$ 14,598,270</u>

See accompanying notes to financial statements.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(1) Description of the Plan

The following description of the RH2 Engineering, Inc. Employee Stock Ownership Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

General

The Plan is an employee stock ownership plan (ESOP), established January 1, 2005, and is open to substantially all employees of RH2 Engineering, Inc. and Control Systems Northwest, LLC (together, the Company or Plan Sponsor). The Plan was most recently amended in 2019 to add Control Systems Northwest, LLC to the Plan.

The Plan is administered by the Plan Administrator, who receives assistance from a retirement plan administration organization, which processes and maintains records of participant account activity.

All contributions made to the Plan are held in a trust fund. The Plan Administrator is responsible for the safekeeping of the trust fund. The trust fund established by the Plan Administrator is the funding medium used for the accumulation of assets from which benefits are distributed.

Eligibility

Employees who are age twenty-one or older, were employed on the last day of the Plan year, and worked at least 1,000 hours during a 12 month period as defined in the Plan's provisions are eligible to participate in the Plan. The Plan excludes leased employees, employees covered under a collective bargaining agreement, and non-resident aliens.

Contributions

Employer contributions to the Plan are discretionary. Participants share in the allocation of employer contributions if they were employed on the last day of the Plan year and worked at least 1,000 hours during the Plan year. The Company elected to make a discretionary contribution of \$2,008,910 and \$976,708 for the years ended December 31, 2024 and 2023, respectively.

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited or debited as of the last day of each Plan year with an allocation of the employer contribution, Plan earnings, Plan expenses, and forfeitures. Only those participants who are eligible employees of the Company as of the last day of the year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation or the participant's account balance, as defined in the Plan document.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

Vesting

If a participant's employment with the Company ends for any reason other than retirement, permanent disability, or death he or she will vest in the balances in his or her account based on total years of service with the Company. Vesting in the employer contributions is based on years of service and occurs at a rate of 20% annually, beginning with the second year of credited service. A participant is 100% vested in the employer contributions after six years of service.

Acquisition Loans

Participants may finance purchases of Company common stock. The loans are secured by the financed shares and bear a reasonable rate of interest, currently 6.0%. Principal and interest payments are paid annually.

Stock Sale Receivables

Participants are eligible to purchase the Company common stock at the fair value price of the stock on the date of the sale. The stock sale receivables include shares sold as of December 31, 2024 and 2023, but not yet paid.

Payment of Benefits

Distributions on account of death, disability, or retirement are made in a lump sum for stock distributions and cash distributions less than \$5,000. Cash distributions in excess of \$5,000 are paid in five annual installments. The amount to be distributed is based upon the immediately preceding valuation date. Distributions are made in cash or, if a participant elects, in the form of Company common stock plus cash for any fractional share of common stock. Under the provisions of the Plan, the Company is obligated to repurchase participant shares, which have been distributed under the terms of the Plan.

Forfeited Accounts

Plan forfeitures, which are non-vested portions of participants' accounts at the point of termination from the Plan, are allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation for the year. There were forfeitures of \$36,784 and \$9,490 for the years ended December 31, 2024 and 2023, respectively.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Plan Administrator prior to the time that such rights are to be exercised. The Plan Administrator is not permitted to vote any allocated share for which instructions have not been given by a participant.

Put Option

Under federal income tax regulations, the Company common stock that is held by the Plan and its participants and is not readily tradable on an established market, is subject to trading limitations, or includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments that are more diversified. Participants who are at least age fifty-five with at least ten years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25 percent of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50 percent. Participants who elect to diversify may receive a cash distribution for the amounts diversified at the Plan Administrator's direction, unless eligible for floor price protection, in which case, shares are distributed. The election to diversify is made within 90 days after the Plan year based upon the shares of Company common stock in the participant's account at year-end.

Administrative Expenses

Expenses associated with administering the Plan are paid by the Plan Sponsor and the Plan. Expenses paid by the Plan are included in investment expenses on the statements of changes in net assets available for benefits.

(2) Summary of Significant Accounting Policies

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentration of Credit Risk

Financial instruments that potentially subject the Plan to concentrations of credit risk consist of cash and cash equivalents, a guaranteed investment contract, mutual funds, and Company common stock. Cash and cash equivalent deposits at times during the year may exceed federally insured limits. The guaranteed investment contract is not federally insured and consists of approximately 7% and 11% of Plan assets for the years ended December 31, 2024 and 2023, respectively.

Investment Valuation and Income Recognition

The shares of Company common stock, cash and cash equivalents, and mutual funds are reported at fair value. The guaranteed investment contract is a fully benefit-responsive investment contract and is reported at contract value. Contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividend income is accrued on the ex-dividend date. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

Fair Value

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. The 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) and the lowest priority to unobservable inputs (Level 3). Assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described as follows:

- Level 1 Inputs based upon quoted prices in active markets for identical assets.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 Inputs that are unobserved for the asset.

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

Mutual funds – Valued at the daily closing prices reported on the exchange or listed market. The funds are required to publish their daily net asset value (NAV) and to transact at that price. The funds are deemed to be actively traded and are considered Level 1 investments.

Investment in RH2 Engineering, Inc. common stock – Valuation methodology is based on factors unobservable and significant to the fair value measurement.

The fair value of the RH2 Engineering, Inc. common stock held by the Plan is reported at fair value based upon an independent appraisal. The appraisal for the years ended December 31, 2024 and 2023, was based upon a combination of the market and income valuation approaches using the guideline transaction method and the capitalization of cash flow method. The discounts for lack of marketability and lack of control were 10% in both 2024 and 2023. The appraiser considered historical and projected cash flow and net income, EBITDA, revenue, comparable sales, and discounts for lack of marketability and minority interests.

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 the 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.

Payments of Benefits

Benefits paid to participants are recorded when paid. As of December 31, 2023, there were \$6,125 distributions that had been requested but not yet paid. There were no distributions requested but not yet paid as of December 31, 2024.

Reclassifications

Certain items have been reclassified in the prior year presentation to conform to current year presentation.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(3) Investments

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

Assets at Fair Value as of December 31, 2024

	Level 1	Level 3	Total
Mutual funds	\$ 1,888,220	\$ -	\$ 1,888,220
Investment in RH2 Engineering, Inc. common stock	-	10,310,445	10,310,445
Total assets at fair value	\$ 1,888,220	\$ 10,310,445	\$ 12,198,665

Assets at Fair Value as of December 31, 2023

	Level 1	Level 3	Total
Mutual funds	\$ 697,573	\$ -	\$ 697,573
Investment in RH2 Engineering, Inc. common stock	-	10,324,482	10,324,482
Total assets at fair value	\$ 697,573	\$ 10,324,482	\$ 11,022,055

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

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31:

Investment in RH2 Engineering, Inc. common stock

Balance, December 31, 2022	\$ 6,945,771
Realized gain on stock sale	271,533
Unrealized appreciation in estimated fair value	3,786,802
Stock sale (1,432 shares)	(679,624)
Balance, December 31, 2023	10,324,482
Realized gain on stock sale	917,025
Unrealized appreciation in estimated fair value	205,286
Stock sale (2,082 shares)	(1,136,348)
Balance, December 31, 2024	\$ 10,310,445

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
The amount of total gains (losses) for the period included in changes in net assets attributable to the change in unrealized gains relating to assets still held at the reporting date	\$ 205,286	\$ 3,786,802

Gains and losses (realized and unrealized) included in changes in the fair value of the Plan's Level 3 assets for the periods above are reported in net appreciation in the fair value of investments in the statements of changes in net assets available for benefits.

(4) Group Annuities with Insurance Companies

The Plan entered into a traditional fully benefit-responsive guaranteed investment contract with Standard Insurance Company (Standard) through the Standard Stable Asset Fund II. Standard maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The Standard Stable Asset Fund II credits interest daily to the group contract holder on a portfolio basis. The crediting interest rate may change or stay the same quarterly. The quarterly crediting rate applies to all money deposited in the group contract holder's account regardless of when it was deposited. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date, without 30 days advance written notice to the Plan for reasonable cause.

This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by the Plan if the Plan were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by Standard, represents contributions made under the contracts, plus earnings, less withdrawals, and administrative expenses. The Plan may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(5) Party-in-Interest Transactions

Charles Schwab is the custodian of the Plan. Principal Life Insurance Company is the third-party administrator (TPA) and record keeper. Trutina Financial (merged into CAPTRUST November 2023) offers investment advisory services to the Plan. Therefore, transactions with these service providers qualify as party-in-interest transactions. Total fees paid by the Plan for recordkeeping and investment advisory services amounted to \$20,329 and \$16,755 for the years ended December 31, 2024 and 2023, respectively. The Plan Sponsor also paid certain administrative expenses of the Plan. These party-in-interest transactions are exempt from the prohibited transaction rules of ERISA.

(6) Plan Termination

Although it has not expressed any intent to do so, the Plan Sponsor 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 would become 100% vested in their employer contributions and all assets would be held, administered, and distributed pursuant to the Plan's terms and conditions.

(7) Form 5500 Reconciliation for the Years Ended December 31, 2024 and 2023

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 as of December 31:

	2024	2023
Net assets available for benefits per the financial statements	\$ 17,556,940	\$ 14,598,270
Distributions payable	-	(6,125)
Net assets available for benefits per the Form 5500	\$ 17,556,940	\$ 14,592,145

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to Form 5500 for the Plan years ended December 31:

	2024	2023
Net increase in net assets available for benefits per the financial statements	\$ 2,958,670	\$ 4,767,771
Accrued distributions	6,125	(6,125)
Net increase in net assets available for benefits per the Form 5500	\$ 2,964,795	\$ 4,761,646

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(8) Tax Status

The Plan has received a determination letter from the IRS dated June 23, 2014 stating that the Plan is qualified under the IRC and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan is currently designed, and being operated, in compliance with the applicable requirements of the IRC.

The Plan's income tax returns are subject to review and examination by federal and state authorities. The Plan is not aware of any activities that would jeopardize its tax-exempt status, nor is it aware of any activities that are subject to tax on unrelated business income or excise or other taxes.

(9) Risks and Uncertainties

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

(10) Subsequent Events

The Plan has evaluated subsequent events through October 13, 2025, which is the date the financial statements were available to be issued.

During 2025, RH2 Engineering, Inc. completed a ten for one stock split, increasing the number of shares owned by the ESOP and decreasing their individual share value.

SUPPLEMENTAL INFORMATION
REQUIRED BY THE
DEPARTMENT OF LABOR

RH2 ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
 EIN: 91-1108443 Plan Number: 002

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

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
*	RH2 Engineering, Inc.	Common Stock	\$ 1,827,557	\$ 10,310,445
*	Standard Insurance Company	Stable Asset Fund II	1,154,969	1,257,052
*	Charles Schwab	Cash	28	27
*	Charles Schwab	Schwab Treasury Oblig Money FD Ultra	1,880,920	1,880,920
*	Charles Schwab	Lord Abbett Short Duration Income Fund Class I	951,260	948,521
*	Charles Schwab	Vanguard Short Term Treasury Index Admiral	944,748	939,699
		Total	<u>\$ 6,759,482</u>	<u>\$ 15,336,664</u>
*	Party-in-interest			

RH2 ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
 EIN: 91-1108443 Plan Number: 002

Schedule H, Line 4j – Schedule of Reportable Transactions

December 31, 2024

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of party involved	Description of asset (include interest rate and maturity in case of a loan)	Purchase price	Selling price	Lease rental	Expense incurred with transaction	Cost of asset	Current value of asset on transaction date	Net gain or (loss)
ESOP	Lord Abbett Short Duration Income Fund Class I	\$ 927,360	NA	\$ -	\$ -	\$ -	\$ 927,360	\$ -

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Financial Statements and ERISA - Required Supplemental Information

December 31, 2024 and 2023

TABLE OF CONTENTS

Independent Auditor's Report	1 - 3
Statements of Net Assets Available for Benefits	4
Statements of Changes in Net Assets Available for Benefits	5
Notes to Financial Statements	6 - 13
Supplementary Information Required by the Department of Labor	
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	14
Schedule H, Line 4j - Schedule of Reportable Transactions	15

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INSURANCE SERVICES • ASSET MANAGEMENT

INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
RH2 Engineering, Inc.
Employee Stock Ownership Plan
Bothell, Washington

Opinion

We have audited the financial statements of RH2 Engineering, 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 statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements (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 years then ended, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 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 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, individually or in the aggregate, they would influence the judgement 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 audits;
- 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 audits 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; and
- 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.

To the Plan Administrator
RH2 Engineering, Inc.
Employee Stock Ownership Plan
Page 3

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 schedules of Schedule H, line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2024, and Schedule H, Line 4j – Schedule of Reportable Transactions as of December 31, 2024, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor’s (DOL) *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 schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the DOL’s *Rules and Regulations for Reporting and Disclosure* under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content is presented in conformity with the DOL’s *Rules and Regulations for Reporting and Disclosure* under ERISA.

Alquia & Company, P.S.

Yakima, Washington
October 13, 2025

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Net Assets Available for Benefits

December 31, 2024 and 2023

	2024	2023
<u>Assets</u>		
Cash and cash equivalents	\$ 1,880,947	\$ 1,448,486
Investments, at fair value	12,198,665	11,022,055
Investments, at contract value		
Guaranteed investment contract	1,257,052	1,624,769
Receivables		
Employer contributions	1,000,000	-
Acquisition loans	869,453	287,965
Stock sale receivables	350,823	214,995
Total receivables	2,220,276	502,960
Total assets	\$ 17,556,940	\$ 14,598,270
<u>Liabilities</u>		
Liabilities	\$ -	\$ -
Net assets available for benefits	\$ 17,556,940	\$ 14,598,270

See accompanying notes to financial statements.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Additions to net assets attributed to:		
Investment income		
Interest and dividends	\$ 164,405	\$ 59,377
Net appreciation in the fair value of investments	<u>1,148,681</u>	<u>4,114,590</u>
Total investment income	1,313,086	4,173,967
Employer contributions	<u>2,008,910</u>	<u>976,708</u>
Total additions	<u>3,321,996</u>	<u>5,150,675</u>
Deductions from net assets attributed to:		
Benefits paid to participants	342,997	366,149
Investment expenses	<u>20,329</u>	<u>16,755</u>
Total deductions	<u>363,326</u>	<u>382,904</u>
Change in net assets available for benefits	2,958,670	4,767,771
Net assets available for benefits, beginning of year	<u>14,598,270</u>	<u>9,830,499</u>
Net assets available for benefits, end of year	<u>\$ 17,556,940</u>	<u>\$ 14,598,270</u>

See accompanying notes to financial statements.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(1) Description of the Plan

The following description of the RH2 Engineering, Inc. Employee Stock Ownership Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

General

The Plan is an employee stock ownership plan (ESOP), established January 1, 2005, and is open to substantially all employees of RH2 Engineering, Inc. and Control Systems Northwest, LLC (together, the Company or Plan Sponsor). The Plan was most recently amended in 2019 to add Control Systems Northwest, LLC to the Plan.

The Plan is administered by the Plan Administrator, who receives assistance from a retirement plan administration organization, which processes and maintains records of participant account activity.

All contributions made to the Plan are held in a trust fund. The Plan Administrator is responsible for the safekeeping of the trust fund. The trust fund established by the Plan Administrator is the funding medium used for the accumulation of assets from which benefits are distributed.

Eligibility

Employees who are age twenty-one or older, were employed on the last day of the Plan year, and worked at least 1,000 hours during a 12 month period as defined in the Plan's provisions are eligible to participate in the Plan. The Plan excludes leased employees, employees covered under a collective bargaining agreement, and non-resident aliens.

Contributions

Employer contributions to the Plan are discretionary. Participants share in the allocation of employer contributions if they were employed on the last day of the Plan year and worked at least 1,000 hours during the Plan year. The Company elected to make a discretionary contribution of \$2,008,910 and \$976,708 for the years ended December 31, 2024 and 2023, respectively.

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited or debited as of the last day of each Plan year with an allocation of the employer contribution, Plan earnings, Plan expenses, and forfeitures. Only those participants who are eligible employees of the Company as of the last day of the year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation or the participant's account balance, as defined in the Plan document.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

Vesting

If a participant's employment with the Company ends for any reason other than retirement, permanent disability, or death he or she will vest in the balances in his or her account based on total years of service with the Company. Vesting in the employer contributions is based on years of service and occurs at a rate of 20% annually, beginning with the second year of credited service. A participant is 100% vested in the employer contributions after six years of service.

Acquisition Loans

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Payment of Benefits

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Forfeited Accounts

Plan forfeitures, which are non-vested portions of participants' accounts at the point of termination from the Plan, are allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation for the year. There were forfeitures of \$36,784 and \$9,490 for the years ended December 31, 2024 and 2023, respectively.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Plan Administrator prior to the time that such rights are to be exercised. The Plan Administrator is not permitted to vote any allocated share for which instructions have not been given by a participant.

Put Option

Under federal income tax regulations, the Company common stock that is held by the Plan and its participants and is not readily tradable on an established market, is subject to trading limitations, or includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments that are more diversified. Participants who are at least age fifty-five with at least ten years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25 percent of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50 percent. Participants who elect to diversify may receive a cash distribution for the amounts diversified at the Plan Administrator's direction, unless eligible for floor price protection, in which case, shares are distributed. The election to diversify is made within 90 days after the Plan year based upon the shares of Company common stock in the participant's account at year-end.

Administrative Expenses

Expenses associated with administering the Plan are paid by the Plan Sponsor and the Plan. Expenses paid by the Plan are included in investment expenses on the statements of changes in net assets available for benefits.

(2) Summary of Significant Accounting Policies

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentration of Credit Risk

Financial instruments that potentially subject the Plan to concentrations of credit risk consist of cash and cash equivalents, a guaranteed investment contract, mutual funds, and Company common stock. Cash and cash equivalent deposits at times during the year may exceed federally insured limits. The guaranteed investment contract is not federally insured and consists of approximately 7% and 11% of Plan assets for the years ended December 31, 2024 and 2023, respectively.

Investment Valuation and Income Recognition

The shares of Company common stock, cash and cash equivalents, and mutual funds are reported at fair value. The guaranteed investment contract is a fully benefit-responsive investment contract and is reported at contract value. Contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividend income is accrued on the ex-dividend date. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

Fair Value

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. The 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) and the lowest priority to unobservable inputs (Level 3). Assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described as follows:

- Level 1 Inputs based upon quoted prices in active markets for identical assets.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 Inputs that are unobserved for the asset.

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

Mutual funds – Valued at the daily closing prices reported on the exchange or listed market. The funds are required to publish their daily net asset value (NAV) and to transact at that price. The funds are deemed to be actively traded and are considered Level 1 investments.

Investment in RH2 Engineering, Inc. common stock – Valuation methodology is based on factors unobservable and significant to the fair value measurement.

The fair value of the RH2 Engineering, Inc. common stock held by the Plan is reported at fair value based upon an independent appraisal. The appraisal for the years ended December 31, 2024 and 2023, was based upon a combination of the market and income valuation approaches using the guideline transaction method and the capitalization of cash flow method. The discounts for lack of marketability and lack of control were 10% in both 2024 and 2023. The appraiser considered historical and projected cash flow and net income, EBITDA, revenue, comparable sales, and discounts for lack of marketability and minority interests.

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 the 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.

Payments of Benefits

Benefits paid to participants are recorded when paid. As of December 31, 2023, there were \$6,125 distributions that had been requested but not yet paid. There were no distributions requested but not yet paid as of December 31, 2024.

Reclassifications

Certain items have been reclassified in the prior year presentation to conform to current year presentation.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(3) Investments

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

Assets at Fair Value as of December 31, 2024

	Level 1	Level 3	Total
Mutual funds	\$ 1,888,220	\$ -	\$ 1,888,220
Investment in RH2 Engineering, Inc. common stock	-	10,310,445	10,310,445
Total assets at fair value	\$ 1,888,220	\$ 10,310,445	\$ 12,198,665

Assets at Fair Value as of December 31, 2023

	Level 1	Level 3	Total
Mutual funds	\$ 697,573	\$ -	\$ 697,573
Investment in RH2 Engineering, Inc. common stock	-	10,324,482	10,324,482
Total assets at fair value	\$ 697,573	\$ 10,324,482	\$ 11,022,055

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

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31:

Investment in RH2 Engineering, Inc. common stock

Balance, December 31, 2022	\$ 6,945,771
Realized gain on stock sale	271,533
Unrealized appreciation in estimated fair value	3,786,802
Stock sale (1,432 shares)	(679,624)
Balance, December 31, 2023	10,324,482
Realized gain on stock sale	917,025
Unrealized appreciation in estimated fair value	205,286
Stock sale (2,082 shares)	(1,136,348)
Balance, December 31, 2024	\$ 10,310,445

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
The amount of total gains (losses) for the period included in changes in net assets attributable to the change in unrealized gains relating to assets still held at the reporting date	\$ 205,286	\$ 3,786,802

Gains and losses (realized and unrealized) included in changes in the fair value of the Plan's Level 3 assets for the periods above are reported in net appreciation in the fair value of investments in the statements of changes in net assets available for benefits.

(4) Group Annuities with Insurance Companies

The Plan entered into a traditional fully benefit-responsive guaranteed investment contract with Standard Insurance Company (Standard) through the Standard Stable Asset Fund II. Standard maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The Standard Stable Asset Fund II credits interest daily to the group contract holder on a portfolio basis. The crediting interest rate may change or stay the same quarterly. The quarterly crediting rate applies to all money deposited in the group contract holder's account regardless of when it was deposited. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date, without 30 days advance written notice to the Plan for reasonable cause.

This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by the Plan if the Plan were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by Standard, represents contributions made under the contracts, plus earnings, less withdrawals, and administrative expenses. The Plan may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(5) Party-in-Interest Transactions

Charles Schwab is the custodian of the Plan. Principal Life Insurance Company is the third-party administrator (TPA) and record keeper. Trutina Financial (merged into CAPTRUST November 2023) offers investment advisory services to the Plan. Therefore, transactions with these service providers qualify as party-in-interest transactions. Total fees paid by the Plan for recordkeeping and investment advisory services amounted to \$20,329 and \$16,755 for the years ended December 31, 2024 and 2023, respectively. The Plan Sponsor also paid certain administrative expenses of the Plan. These party-in-interest transactions are exempt from the prohibited transaction rules of ERISA.

(6) Plan Termination

Although it has not expressed any intent to do so, the Plan Sponsor 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 would become 100% vested in their employer contributions and all assets would be held, administered, and distributed pursuant to the Plan's terms and conditions.

(7) Form 5500 Reconciliation for the Years Ended December 31, 2024 and 2023

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 as of December 31:

	2024	2023
Net assets available for benefits per the financial statements	\$ 17,556,940	\$ 14,598,270
Distributions payable	-	(6,125)
Net assets available for benefits per the Form 5500	\$ 17,556,940	\$ 14,592,145

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to Form 5500 for the Plan years ended December 31:

	2024	2023
Net increase in net assets available for benefits per the financial statements	\$ 2,958,670	\$ 4,767,771
Accrued distributions	6,125	(6,125)
Net increase in net assets available for benefits per the Form 5500	\$ 2,964,795	\$ 4,761,646

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(8) Tax Status

The Plan has received a determination letter from the IRS dated June 23, 2014 stating that the Plan is qualified under the IRC and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan is currently designed, and being operated, in compliance with the applicable requirements of the IRC.

The Plan's income tax returns are subject to review and examination by federal and state authorities. The Plan is not aware of any activities that would jeopardize its tax-exempt status, nor is it aware of any activities that are subject to tax on unrelated business income or excise or other taxes.

(9) Risks and Uncertainties

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

(10) Subsequent Events

The Plan has evaluated subsequent events through October 13, 2025, which is the date the financial statements were available to be issued.

During 2025, RH2 Engineering, Inc. completed a ten for one stock split, increasing the number of shares owned by the ESOP and decreasing their individual share value.

SUPPLEMENTAL INFORMATION
REQUIRED BY THE
DEPARTMENT OF LABOR

RH2 ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
 EIN: 91-1108443 Plan Number: 002

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

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
*	RH2 Engineering, Inc.	Common Stock	\$ 1,827,557	\$ 10,310,445
*	Standard Insurance Company	Stable Asset Fund II	1,154,969	1,257,052
*	Charles Schwab	Cash	28	27
*	Charles Schwab	Schwab Treasury Oblig Money FD Ultra	1,880,920	1,880,920
*	Charles Schwab	Lord Abbett Short Duration Income Fund Class I	951,260	948,521
*	Charles Schwab	Vanguard Short Term Treasury Index Admiral	944,748	939,699
		Total	<u>\$ 6,759,482</u>	<u>\$ 15,336,664</u>
*	Party-in-interest			

RH2 ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
 EIN: 91-1108443 Plan Number: 002

Schedule H, Line 4j – Schedule of Reportable Transactions

December 31, 2024

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of party involved	Description of asset (include interest rate and maturity in case of a loan)	Purchase price	Selling price	Lease rental	Expense incurred with transaction	Cost of asset	Current value of asset on transaction date	Net gain or (loss)
ESOP	Lord Abbett Short Duration Income Fund Class I	\$ 927,360	NA	\$ -	\$ -	\$ -	\$ 927,360	\$ -

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Financial Statements and ERISA - Required Supplemental Information

December 31, 2024 and 2023

TABLE OF CONTENTS

Independent Auditor's Report	1 - 3
Statements of Net Assets Available for Benefits	4
Statements of Changes in Net Assets Available for Benefits	5
Notes to Financial Statements	6 - 13
Supplementary Information Required by the Department of Labor	
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	14
Schedule H, Line 4j - Schedule of Reportable Transactions	15

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CERTIFIED PUBLIC ACCOUNTANTS

INSURANCE SERVICES • ASSET MANAGEMENT

INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
RH2 Engineering, Inc.
Employee Stock Ownership Plan
Bothell, Washington

Opinion

We have audited the financial statements of RH2 Engineering, 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 statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements (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 years then ended, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 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 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, individually or in the aggregate, they would influence the judgement 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 audits;
- 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 audits 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; and
- 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.

To the Plan Administrator
RH2 Engineering, Inc.
Employee Stock Ownership Plan
Page 3

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 schedules of Schedule H, line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2024, and Schedule H, Line 4j – Schedule of Reportable Transactions as of December 31, 2024, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor’s (DOL) *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 schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the DOL’s *Rules and Regulations for Reporting and Disclosure* under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content is presented in conformity with the DOL’s *Rules and Regulations for Reporting and Disclosure* under ERISA.

Alquia & Company, P.S.

Yakima, Washington
October 13, 2025

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Net Assets Available for Benefits

December 31, 2024 and 2023

	2024	2023
<u>Assets</u>		
Cash and cash equivalents	\$ 1,880,947	\$ 1,448,486
Investments, at fair value	12,198,665	11,022,055
Investments, at contract value		
Guaranteed investment contract	1,257,052	1,624,769
Receivables		
Employer contributions	1,000,000	-
Acquisition loans	869,453	287,965
Stock sale receivables	350,823	214,995
Total receivables	2,220,276	502,960
Total assets	\$ 17,556,940	\$ 14,598,270
<u>Liabilities</u>		
Liabilities	\$ -	\$ -
Net assets available for benefits	\$ 17,556,940	\$ 14,598,270

See accompanying notes to financial statements.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2024 and 2023

	2024	2023
Additions to net assets attributed to:		
Investment income		
Interest and dividends	\$ 164,405	\$ 59,377
Net appreciation in the fair value of investments	1,148,681	4,114,590
Total investment income	1,313,086	4,173,967
Employer contributions	2,008,910	976,708
Total additions	3,321,996	5,150,675
Deductions from net assets attributed to:		
Benefits paid to participants	342,997	366,149
Investment expenses	20,329	16,755
Total deductions	363,326	382,904
Change in net assets available for benefits	2,958,670	4,767,771
Net assets available for benefits, beginning of year	14,598,270	9,830,499
Net assets available for benefits, end of year	\$ 17,556,940	\$ 14,598,270

See accompanying notes to financial statements.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(1) Description of the Plan

The following description of the RH2 Engineering, Inc. Employee Stock Ownership Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

General

The Plan is an employee stock ownership plan (ESOP), established January 1, 2005, and is open to substantially all employees of RH2 Engineering, Inc. and Control Systems Northwest, LLC (together, the Company or Plan Sponsor). The Plan was most recently amended in 2019 to add Control Systems Northwest, LLC to the Plan.

The Plan is administered by the Plan Administrator, who receives assistance from a retirement plan administration organization, which processes and maintains records of participant account activity.

All contributions made to the Plan are held in a trust fund. The Plan Administrator is responsible for the safekeeping of the trust fund. The trust fund established by the Plan Administrator is the funding medium used for the accumulation of assets from which benefits are distributed.

Eligibility

Employees who are age twenty-one or older, were employed on the last day of the Plan year, and worked at least 1,000 hours during a 12 month period as defined in the Plan's provisions are eligible to participate in the Plan. The Plan excludes leased employees, employees covered under a collective bargaining agreement, and non-resident aliens.

Contributions

Employer contributions to the Plan are discretionary. Participants share in the allocation of employer contributions if they were employed on the last day of the Plan year and worked at least 1,000 hours during the Plan year. The Company elected to make a discretionary contribution of \$2,008,910 and \$976,708 for the years ended December 31, 2024 and 2023, respectively.

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited or debited as of the last day of each Plan year with an allocation of the employer contribution, Plan earnings, Plan expenses, and forfeitures. Only those participants who are eligible employees of the Company as of the last day of the year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation or the participant's account balance, as defined in the Plan document.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

Vesting

If a participant's employment with the Company ends for any reason other than retirement, permanent disability, or death he or she will vest in the balances in his or her account based on total years of service with the Company. Vesting in the employer contributions is based on years of service and occurs at a rate of 20% annually, beginning with the second year of credited service. A participant is 100% vested in the employer contributions after six years of service.

Acquisition Loans

Participants may finance purchases of Company common stock. The loans are secured by the financed shares and bear a reasonable rate of interest, currently 6.0%. Principal and interest payments are paid annually.

Stock Sale Receivables

Participants are eligible to purchase the Company common stock at the fair value price of the stock on the date of the sale. The stock sale receivables include shares sold as of December 31, 2024 and 2023, but not yet paid.

Payment of Benefits

Distributions on account of death, disability, or retirement are made in a lump sum for stock distributions and cash distributions less than \$5,000. Cash distributions in excess of \$5,000 are paid in five annual installments. The amount to be distributed is based upon the immediately preceding valuation date. Distributions are made in cash or, if a participant elects, in the form of Company common stock plus cash for any fractional share of common stock. Under the provisions of the Plan, the Company is obligated to repurchase participant shares, which have been distributed under the terms of the Plan.

Forfeited Accounts

Plan forfeitures, which are non-vested portions of participants' accounts at the point of termination from the Plan, are allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation for the year. There were forfeitures of \$36,784 and \$9,490 for the years ended December 31, 2024 and 2023, respectively.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Plan Administrator prior to the time that such rights are to be exercised. The Plan Administrator is not permitted to vote any allocated share for which instructions have not been given by a participant.

Put Option

Under federal income tax regulations, the Company common stock that is held by the Plan and its participants and is not readily tradable on an established market, is subject to trading limitations, or includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments that are more diversified. Participants who are at least age fifty-five with at least ten years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25 percent of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50 percent. Participants who elect to diversify may receive a cash distribution for the amounts diversified at the Plan Administrator's direction, unless eligible for floor price protection, in which case, shares are distributed. The election to diversify is made within 90 days after the Plan year based upon the shares of Company common stock in the participant's account at year-end.

Administrative Expenses

Expenses associated with administering the Plan are paid by the Plan Sponsor and the Plan. Expenses paid by the Plan are included in investment expenses on the statements of changes in net assets available for benefits.

(2) Summary of Significant Accounting Policies

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentration of Credit Risk

Financial instruments that potentially subject the Plan to concentrations of credit risk consist of cash and cash equivalents, a guaranteed investment contract, mutual funds, and Company common stock. Cash and cash equivalent deposits at times during the year may exceed federally insured limits. The guaranteed investment contract is not federally insured and consists of approximately 7% and 11% of Plan assets for the years ended December 31, 2024 and 2023, respectively.

Investment Valuation and Income Recognition

The shares of Company common stock, cash and cash equivalents, and mutual funds are reported at fair value. The guaranteed investment contract is a fully benefit-responsive investment contract and is reported at contract value. Contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividend income is accrued on the ex-dividend date. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

Fair Value

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. The 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) and the lowest priority to unobservable inputs (Level 3). Assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described as follows:

- Level 1 Inputs based upon quoted prices in active markets for identical assets.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 Inputs that are unobserved for the asset.

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

Mutual funds – Valued at the daily closing prices reported on the exchange or listed market. The funds are required to publish their daily net asset value (NAV) and to transact at that price. The funds are deemed to be actively traded and are considered Level 1 investments.

Investment in RH2 Engineering, Inc. common stock – Valuation methodology is based on factors unobservable and significant to the fair value measurement.

The fair value of the RH2 Engineering, Inc. common stock held by the Plan is reported at fair value based upon an independent appraisal. The appraisal for the years ended December 31, 2024 and 2023, was based upon a combination of the market and income valuation approaches using the guideline transaction method and the capitalization of cash flow method. The discounts for lack of marketability and lack of control were 10% in both 2024 and 2023. The appraiser considered historical and projected cash flow and net income, EBITDA, revenue, comparable sales, and discounts for lack of marketability and minority interests.

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 the 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.

Payments of Benefits

Benefits paid to participants are recorded when paid. As of December 31, 2023, there were \$6,125 distributions that had been requested but not yet paid. There were no distributions requested but not yet paid as of December 31, 2024.

Reclassifications

Certain items have been reclassified in the prior year presentation to conform to current year presentation.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(3) Investments

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

Assets at Fair Value as of December 31, 2024

	Level 1	Level 3	Total
Mutual funds	\$ 1,888,220	\$ -	\$ 1,888,220
Investment in RH2 Engineering, Inc. common stock	-	10,310,445	10,310,445
Total assets at fair value	\$ 1,888,220	\$ 10,310,445	\$ 12,198,665

Assets at Fair Value as of December 31, 2023

	Level 1	Level 3	Total
Mutual funds	\$ 697,573	\$ -	\$ 697,573
Investment in RH2 Engineering, Inc. common stock	-	10,324,482	10,324,482
Total assets at fair value	\$ 697,573	\$ 10,324,482	\$ 11,022,055

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

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31:

Investment in RH2 Engineering, Inc. common stock

Balance, December 31, 2022	\$ 6,945,771
Realized gain on stock sale	271,533
Unrealized appreciation in estimated fair value	3,786,802
Stock sale (1,432 shares)	(679,624)
Balance, December 31, 2023	10,324,482
Realized gain on stock sale	917,025
Unrealized appreciation in estimated fair value	205,286
Stock sale (2,082 shares)	(1,136,348)
Balance, December 31, 2024	\$ 10,310,445

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
The amount of total gains (losses) for the period included in changes in net assets attributable to the change in unrealized gains relating to assets still held at the reporting date	\$ 205,286	\$ 3,786,802

Gains and losses (realized and unrealized) included in changes in the fair value of the Plan's Level 3 assets for the periods above are reported in net appreciation in the fair value of investments in the statements of changes in net assets available for benefits.

(4) Group Annuities with Insurance Companies

The Plan entered into a traditional fully benefit-responsive guaranteed investment contract with Standard Insurance Company (Standard) through the Standard Stable Asset Fund II. Standard maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The Standard Stable Asset Fund II credits interest daily to the group contract holder on a portfolio basis. The crediting interest rate may change or stay the same quarterly. The quarterly crediting rate applies to all money deposited in the group contract holder's account regardless of when it was deposited. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date, without 30 days advance written notice to the Plan for reasonable cause.

This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by the Plan if the Plan were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by Standard, represents contributions made under the contracts, plus earnings, less withdrawals, and administrative expenses. The Plan may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(5) Party-in-Interest Transactions

Charles Schwab is the custodian of the Plan. Principal Life Insurance Company is the third-party administrator (TPA) and record keeper. Trutina Financial (merged into CAPTRUST November 2023) offers investment advisory services to the Plan. Therefore, transactions with these service providers qualify as party-in-interest transactions. Total fees paid by the Plan for recordkeeping and investment advisory services amounted to \$20,329 and \$16,755 for the years ended December 31, 2024 and 2023, respectively. The Plan Sponsor also paid certain administrative expenses of the Plan. These party-in-interest transactions are exempt from the prohibited transaction rules of ERISA.

(6) Plan Termination

Although it has not expressed any intent to do so, the Plan Sponsor 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 would become 100% vested in their employer contributions and all assets would be held, administered, and distributed pursuant to the Plan's terms and conditions.

(7) Form 5500 Reconciliation for the Years Ended December 31, 2024 and 2023

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 as of December 31:

	2024	2023
Net assets available for benefits per the financial statements	\$ 17,556,940	\$ 14,598,270
Distributions payable	-	(6,125)
Net assets available for benefits per the Form 5500	\$ 17,556,940	\$ 14,592,145

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to Form 5500 for the Plan years ended December 31:

	2024	2023
Net increase in net assets available for benefits per the financial statements	\$ 2,958,670	\$ 4,767,771
Accrued distributions	6,125	(6,125)
Net increase in net assets available for benefits per the Form 5500	\$ 2,964,795	\$ 4,761,646

RH2 ENGINEERING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

December 31, 2024 and 2023

(8) Tax Status

The Plan has received a determination letter from the IRS dated June 23, 2014 stating that the Plan is qualified under the IRC and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan is currently designed, and being operated, in compliance with the applicable requirements of the IRC.

The Plan's income tax returns are subject to review and examination by federal and state authorities. The Plan is not aware of any activities that would jeopardize its tax-exempt status, nor is it aware of any activities that are subject to tax on unrelated business income or excise or other taxes.

(9) Risks and Uncertainties

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

(10) Subsequent Events

The Plan has evaluated subsequent events through October 13, 2025, which is the date the financial statements were available to be issued.

During 2025, RH2 Engineering, Inc. completed a ten for one stock split, increasing the number of shares owned by the ESOP and decreasing their individual share value.

SUPPLEMENTAL INFORMATION
REQUIRED BY THE
DEPARTMENT OF LABOR

RH2 ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
EIN: 91-1108443 Plan Number: 002

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

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
*	RH2 Engineering, Inc.	Common Stock	\$ 1,827,557	\$ 10,310,445
*	Standard Insurance Company	Stable Asset Fund II	1,154,969	1,257,052
*	Charles Schwab	Cash	28	27
*	Charles Schwab	Schwab Treasury Oblig Money FD Ultra	1,880,920	1,880,920
*	Charles Schwab	Lord Abbett Short Duration Income Fund Class I	951,260	948,521
*	Charles Schwab	Vanguard Short Term Treasury Index Admiral	944,748	939,699
		Total	<u>\$ 6,759,482</u>	<u>\$ 15,336,664</u>
*	Party-in-interest			

RH2 ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
 EIN: 91-1108443 Plan Number: 002

Schedule H, Line 4j – Schedule of Reportable Transactions

December 31, 2024

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of party involved	Description of asset (include interest rate and maturity in case of a loan)	Purchase price	Selling price	Lease rental	Expense incurred with transaction	Cost of asset	Current value of asset on transaction date	Net gain or (loss)
ESOP	Lord Abbett Short Duration Income Fund Class I	\$ 927,360	NA	\$ -	\$ -	\$ -	\$ 927,360	\$ -