

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2024

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan <u>HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	1b Three-digit plan number (PN) ▶ <u>002</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>HARRIS GROUP INC.</u> <u>503 WESTLAKE AVE N.</u> <u>SUITE 400</u> <u>SEATTLE, WA 98109</u>	1c Effective date of plan <u>01/01/2007</u> 2b Employer Identification Number (EIN) <u>91-0931646</u> 2c Plan Sponsor's telephone number <u>206-494-9400</u> 2d Business code (see instructions) <u>541330</u>

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.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2025	RANDY HINTON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as 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	158
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)	85
	6a(2)	75
	6b	0
	6c	36
	6d	111
	6e	0
	6f	111
	6g(1)	158
	6g(2)	110
h	9	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

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

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

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

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

a Pension Schedules	b General Schedules
(1) <input checked="" type="checkbox"/> R (Retirement Plan Information)	(1) <input checked="" type="checkbox"/> H (Financial Information)
(2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) <input type="checkbox"/> I (Financial Information – Small Plan)
(3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) <input type="checkbox"/> A (Insurance Information) – Number Attached <u>0</u>
(4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____	(4) <input type="checkbox"/> C (Service Provider Information)
(5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information)	(5) <input type="checkbox"/> D (DFE/Participating Plan Information)
	(6) <input type="checkbox"/> G (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024	
A Name of plan HARRIS GROUP 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 HARRIS GROUP INC.	D Employer Identification Number (EIN) 91-0931646

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

Assets	(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions	1b(1)	275308
(2) Participant contributions	1b(2)	
(3) Other	1b(3)	
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	
(2) U.S. Government securities	1c(2)	
(3) Corporate debt instruments (other than employer securities):		
(A) Preferred	1c(3)(A)	
(B) All other	1c(3)(B)	
(4) Corporate stocks (other than employer securities):		
(A) Preferred	1c(4)(A)	
(B) Common	1c(4)(B)	
(5) Partnership/joint venture interests	1c(5)	
(6) Real estate (other than employer real property)	1c(6)	
(7) Loans (other than to participants)	1c(7)	
(8) Participant loans	1c(8)	
(9) Value of interest in common/collective trusts	1c(9)	
(10) Value of interest in pooled separate accounts	1c(10)	
(11) Value of interest in master trust investment accounts	1c(11)	
(12) Value of interest in 103-12 investment entities	1c(12)	
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	81493
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	
(15) Other	1c(15)	678213

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	5505224	5184496
(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	5862025	6130542
Liabilities			
g Benefit claims payable.....	1g	1127	9321
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j	292964	254555
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	294091	263876
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	5567934	5866666

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)	267833	
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)	60	
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		267893
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	33048	
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		33048
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)	744045	
(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)		744045
(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)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		619518
d Total income. Add all income amounts in column (b) and enter total.....	2d		1664504

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1363046	
(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)		1363046
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		1591
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)	1135	
(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)		1135
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1365772

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		298732
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: CLARK NUBER P.S.

(2) EIN: 91-1194016

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

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

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

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

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

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection.
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A Name of plan <u>HARRIS GROUP 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>HARRIS GROUP INC.</u>	D Employer Identification Number (EIN) <u>91-0931646</u>	

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
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2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
EIN(s): 91-0931646

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	
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Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? Yes No N/A
If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a	
b Enter the amount contributed by the employer to the plan for this plan year	6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c	

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? Yes No N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? Yes No N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... Increase Decrease Both No

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? Yes No

11 a Does the ESOP hold any preferred stock? Yes No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) Yes No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? Yes No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14b	
c The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14c	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment

19 If the total number of participants is 1,000 or more, complete lines (a) and (b):

a Enter the percentage of plan assets held as:
 Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____%
 High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:
 0-5 years 5-10 years 10-15 years 15 years or more

20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? Yes No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:
 Yes.
 No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.
 No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.
 No. Other. Provide explanation: _____

Part VII IRS Compliance Questions

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? Yes No

21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).
 Design-based safe harbor method
 "Prior year" ADP test
 "Current year" ADP test
 N/A

22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter ___/___/____ (MM/DD/YYYY) and the Opinion Letter serial number _____.

**HARRIS GROUP INC. EMPLOYEE
STOCK OWNERSHIP PLAN**

Financial Statements

For the Year Ended December 31, 2024

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Independent Auditor's Report

**To the Administrative Committee
Harris Group Inc. Employee Stock Ownership Plan
Seattle, Washington**

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of Harris Group Inc. Employee Stock Ownership Plan as of December 31, 2024, and the changes in net assets available for benefits for the year ended December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (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 Harris Group Inc. Employee Stock Ownership Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Harris Group Inc. Employee Stock Ownership Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.



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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Harris Group Inc. Employee Stock Ownership Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Harris Group Inc. Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Report on Summarized Comparative Information

We have previously audited the Plan's statement of changes in net assets available for benefits for the year , and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 25, 2024. In our opinion, the summarized comparative information presented herein for the year ended , is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplemental Information Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information, as listed in the accompanying table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit 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 GAAS.

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

In our opinion, the information in the accompanying information 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Clark Nuber Ps.

Certified Public Accountants
October 12, 2025

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Net Assets Available for Benefits As of December 31, 2024 and 2023

	As of December 31, 2024		
	Allocated	Unallocated	Total
Assets:			
Investments at fair value-			
Mutual funds	\$ 678,213	\$ -	\$ 678,213
Harris Group Inc. common stock	4,729,663	454,833	5,184,496
Total investments at fair value	5,407,876	454,833	5,862,709
Employer contributions receivable	267,833		267,833
Total Assets	5,675,709	454,833	6,130,542
Liabilities:			
Loan payable		247,291	247,291
Accrued interest		7,264	7,264
Other payables	9,321		9,321
Total Liabilities	9,321	254,555	263,876
Net Assets Available for Benefits	\$ 5,666,388	\$ 200,278	\$ 5,866,666
	As of December 31, 2023		
	Allocated	Unallocated	Total
Assets:			
Investments at fair value-			
Mutual funds	\$ 81,493	\$ -	\$ 81,493
Harris Group Inc. common stock	5,042,466	462,758	5,505,224
Total investments at fair value	5,123,959	462,758	5,586,717
Receivables-			
Employer contributions receivable	275,308		275,308
Total Assets	5,399,267	462,758	5,862,025
Liabilities:			
Loan payable		287,291	287,291
Accrued interest		5,673	5,673
Other payables	1,127		1,127
Total Liabilities	1,127	292,964	294,091
Net Assets Available for Benefits	\$ 5,398,140	\$ 169,794	\$ 5,567,934

See accompanying notes.

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN

Statement of Changes in Net Assets Available for Benefits For the Year Ended December 31, 2024 (With Comparative Totals for the Year Ended December 31, 2023)

	<u>Allocated</u>	<u>Unallocated</u>	<u>2024 Total</u>	<u>2023</u>
Contributions and Investment Return:				
Employer contributions	\$ 267,893	\$ -	\$ 267,893	\$ 275,368
Allocation of 542 and 542 shares of Harris Group, Inc. common stock	62,276		62,276	34,591
Investment income-				
Net appreciation in fair value of Harris Group Inc. common stock	565,167	54,351	619,518	2,447,299
Dividends	744,045		744,045	51,260
Net appreciation in fair value of mutual funds	33,048		33,048	9,591
Net investment income	<u>1,342,260</u>	<u>54,351</u>	<u>1,396,611</u>	<u>2,508,150</u>
Total Contributions and Investment Income	1,672,429	54,351	1,726,780	2,818,109
Deductions:				
Allocation of 542 shares of Harris Group, Inc. common stock		62,276	62,276	34,591
Benefits paid to participants	1,363,046		1,363,046	249,905
Administrative fees	1,135		1,135	815
Interest expense		1,591	1,591	1,839
Total Deductions	1,364,181	63,867	1,428,048	287,150
Transfer for Debt Service	(40,000)	40,000		
Net Increase in Net Assets Available for Benefits	268,248	30,484	298,732	2,530,959
Net Assets Available for Benefits:				
Beginning of year	<u>5,398,140</u>	<u>169,794</u>	<u>5,567,934</u>	<u>3,036,975</u>
End of Year	<u>\$ 5,666,388</u>	<u>\$ 200,278</u>	<u>\$ 5,866,666</u>	<u>\$ 5,567,934</u>

See accompanying notes.

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements For the Year Ended December 31, 2024

Note 1 - Description of Plan

The following description of the Harris Group 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 definitions, benefits, eligibility, and other matters.

General - Harris Group Inc. (the Company or Employer) established the Plan effective as of January 1, 2007. As of January 1, 2016, the Plan was amended and operates, in relevant part, as a leveraged employee stock ownership plan (ESOP) and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (IRC), and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by an Employee Benefits Administration Committee appointed by the Company's Board of Directors. The Plan has an independent third-party trustee.

The Plan allows for the purchase of common stock of the Company from time to time using proceeds of borrowings from the Company or a third-party bank. The borrowings are repaid by fully deductible Company contributions to the trust fund. The borrowings are collateralized by the unallocated shares of common stock. As the Plan makes each payment of principal, an appropriate percentage of the stock is allocated to eligible participants' accounts in accordance with applicable regulations under the IRC. The lender has no rights against the shares once they are allocated under the Plan. Accordingly, the financial statements of the Plan as of December 31, 2024, and for the year ended December 31, 2024, present separately the assets and liabilities and changes therein pertaining to: (a) the accounts of participants with rights in allocated common stock (allocated); and (b) common stock not yet allocated to participants (unallocated).

Eligibility and Participation - An employee is generally eligible to participate upon the later of their employment commencement date or the date the employee attains the age 21. However, the participant may not receive a contribution unless the participant has completed 1,000 hours of service during a plan year. Newly eligible employees enter the plan on the first day of January or July. Those employees who are not employed on the last day of the plan year are not eligible for an allocation of Company contributions for such year, with exceptions for death, disability, or retirement at age 65 (normal retirement age) during the plan year then ended.

Employer Contributions - The Company is obligated to make contributions in cash to the Plan equal to the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan. The Company may make additional discretionary contributions to the Plan. Contributions can be paid in cash or in shares of Company stock, as determined by the Company's Board of Directors. Employer contributions are allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation. Contributions are subject to certain Internal Revenue Service (IRS) limitations. The Company made cash contributions of \$267,893 and \$275,368 for the years ended December 31, 2024 and 2023, respectively. Employee contributions are not permitted.

Payment of Benefits - Upon termination of service or attainment of the normal retirement age, a participant or beneficiary whose vested account balance does not exceed \$5,000 may elect to receive the value of his or her account as a lump-sum distribution. A participant or beneficiary whose vested account balance is greater than \$5,000 is subject to alternative modes of distribution selected by the Employee Benefits Administrative Committee including (a) a simple lump sum payment or (b) equal installments over a period not to exceed five years. Distributions are generally made in cash, but the Trustee can elect to make the distributions in Company stock. The amount to be distributed is based upon the immediately preceding valuation date. Under the provisions of the Plan, the Company is obligated to repurchase participant shares, which have been distributed under the terms of the Plan if the shares are not publicly traded or if the shares are subject to trading limitations.

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements For the Year Ended December 31, 2024

Note 1 - Continued

At December 31, 2024, approximately 10,463 shares of Harris Group Inc. common stock were vested and subject to future distributions in the form of lump sum or installment payments.

Vesting - Participants hired before January 1, 2016, become 100% vested in employer contributions after three years of service, or when they reach the Plan's normal retirement age. Generally, the participant's entire balance in the Plan is subject to forfeiture until the service requirement is met. Years of service prior to the time the Company established the Plan are also included in a participant's vesting calculation.

Participants hired on or after January 1, 2016, are subject to a vesting schedule based on years of credited service as follows:

<u>Years of Credited Service</u>	<u>Percentage Vested</u>
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6	100%

Dividends - Cash dividends on allocated shares may be allocated to participants' accounts or paid in cash directly to participants. Dividends on unallocated shares are allocated at year end, based on a participants eligible compensation, relative to total compensation. The Company paid dividends of \$744,045 and \$51,260 for the years ended December 31, 2024 and 2023, respectively.

Participant Accounts - The Plan establishes a separate individual account is established for each participant. Each participant's account is credited as of the last day of the plan year with an allocation of shares of the Company's common stock released by the Trustee from the unallocated account, contributions and forfeitures of terminated participants' nonvested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance.

Forfeitures - Forfeitures of nonvested benefits are allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation, as if the amount were an additional Company contribution. Forfeitures are determined as of the earlier of the last day of the plan year in which the participant received a complete distribution of the participant's vested interest in his or her account or upon completion of a five-year break in service. The forfeiture amounts allocated to participants for the years ended December 31, 2024 and 2023 were \$54,238 and \$5,058, respectively. There were \$0 of unallocated forfeitures at December 31, 2024 and 2023.

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements For the Year Ended December 31, 2024

Note 1 - Continued

The allocations of forfeitures are subject to the restoration of forfeitures from rehired employees who previously forfeited their account balances. Participants rehired within five years of their original termination of employment are eligible for the full restoration of their unvested account balance within the plan year following rehire. The restorations are to be funded firstly with participant forfeitures, secondly with trust fund net income, and lastly with employer contributions.

Voting Rights - Each participant has the right to direct the Trustee in regard to the voting of the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. These voting rights only apply to certain corporate matters primarily related to dissolution or any tender offer on the proposed purchase and sale of Company stock as described in the plan document. The Trustee is not permitted to vote any allocated share for which instructions have not been given by a participant. The Trustee shall vote any unallocated shares on behalf of the Plan.

Put Option - Under federal income tax regulations, the employer stock that is held by the Plan and its participants that is not readily tradable on an established market, or is subject to trading limitations includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Each participant receiving a put option has the ability to sell the Company stock to the Company at the most recent appraised value during two option periods. The first put option period runs for a period of 60 days commencing on the date of the distribution of Company stock to the participant. The second put option period runs for a period of 60 days commencing in the next plan year after the new determination of the fair value of Company stock by the Trustee and notice to the participant of the new appraised value. The Company must make the payment in one lump-sum payment, or if the distribution to the participant or beneficiary exceeds \$5,000, the Plan may elect to pay for the Company stock in equal installments not to exceed five years. For the year ended December 31, 2024, the Company repurchased approximately 8,180 shares for \$940,246. The Company did not repurchase any shares for the year ended December 31, 2023.

First Right of Refusal - If any participant or beneficiary who receives Company stock under this Plan desires to dispose of any of the stock for any reason during his or her lifetime, he or she must first offer the stock for sale to the Company. The Plan may require a participant or beneficiary entitled to a distribution of Company stock to execute an appropriate stock transfer agreement prior to receiving a certificate for the stock.

Diversification - Diversification is offered to participants close to retirement so they have the opportunity to move part of the value of their investment in Company stock into investments which are more diversified. Participants who have attained age 55 with at least ten years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25 percent of the 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 elect to receive a cash distribution or rollover the funds to another qualified plan. As of December 31, 2024, 1,988 shares of Harris Group Inc. common stock were subject to diversification.

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements For the Year Ended December 31, 2024

Note 2 - Significant Accounting Policies

Basis of Accounting - The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

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

Investment Valuation and Income Recognition - The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements. Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits - Benefits paid to participants are recognized when they are paid. When a distribution of shares of Company stock is requested, the Plan distributes the shares as of the most recent third-party valuation that has been completed, typically as of the end of the prior year.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Credit Risk and Uncertainties - The Plan has investments in the common stock of the Company represented approximately 76% and 88% of net assets at December 31, 2024 and 2023, respectively. The investments in the common stock of the Company 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. Investments in the Schwab Government Money Fund representing about 24% and 12% of the plan's net assets at December 31, 2024 and 2023, respectively, and are also exposed to various risks, such as market risk, interest risk and credit risk.

Due to the level of risk associated with the investment in the common stock and money market fund, 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 amounts reported in the statement of net assets available for benefits.

Subsequent Events - The Plan's management has evaluated subsequent events through October 12, 2025, the date on which the Plan's financial statements were available to be issued.

Note 3 - Fair Value Measurements

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

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements For the Year Ended December 31, 2024

Note 3 - Continued

The three levels of the fair value hierarchy are described as follows:

Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than the quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Unobservable inputs that are significant to the fair value measurement.

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

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

Mutual Fund - Valued at the daily closing price as reported by the funds. The mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish the daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Harris Group Inc. Common Stock - Independent appraisals of the fair value of the Company's common stock were obtained as of December 31, 2024 and 2023. The appraisals considered the income, market and asset approach, with the most emphasis given to the income approach. The appraisals indicated estimated fair values of \$130.55 and \$114.95 per share as of December 31, 2024 and 2023, respectively.

The valuation methodologies used by the Plan 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's management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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

	Fair Value Measurements as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 678,213	\$ -	\$ -	\$ 678,213
Harris Group Inc. common stock			5,184,496	5,184,496
	\$ 678,213	\$ -	\$ 5,184,496	\$ 5,862,709

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements For the Year Ended December 31, 2024

Note 3 - Continued

	Fair Value Measurements as of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 81,493	\$ -	\$ -	\$ 81,493
Harris Group Inc. common stock			5,505,224	5,505,224
	\$ 81,493	\$ -	\$ 5,505,224	\$ 5,586,717

A reconciliation of the beginning and ending balances of the Harris Group Inc. common stock, fair value measurements made using significant unobservable inputs (Level 3), is as follows for the years ended December 31, 2024 and 2023:

	Shares	Cost	Fair Value
Beginning balance as of December 31, 2022	47,892.3	\$ 2,571,265	\$ 3,057,925
Net appreciation in fair value of Harris Group Inc. common stock			2,447,299
Balance as of December 31, 2023	47,892.3	2,571,265	5,505,224
Redemption of Harris Group Inc. Common stock by the Employer	(8,179.6)	(439,150)	(940,246)
Net appreciation in fair value of Harris Group Inc. common stock			619,518
Ending Balance as of December 31, 2024	39,712.7	\$ 2,132,115	\$ 5,184,496

As of December 31, 2024, and 2023, there were 3,484 and 4,026 of unallocated shares.

The fair value of the Company common stock was determined by the Trustee in consultation with an independent appraiser engaged to perform an annual appraisal. The 2024 and 2023 appraisal are based on the income approach taking into account historical and projected cash flow, net earnings and applicable discounts.

Unobservable inputs include earnings before interest taxes and depreciation (EBITDA), net income, weighted average cost of capital, discount rate, and discount for lack of marketability.

The Trustee assesses the annual valuation process and results of the annual and interim third-party appraisals prior to rendering a final opinion on the fair value of the stock. This includes an assessment of fair value measurement policies and procedures to determine if current valuation techniques are still appropriate, and an evaluation of unobservable inputs used in the fair value measurement based on current market conditions and other third-party information.

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements For the Year Ended December 31, 2024

Note 3 - Continued

In the event of a purchase or sale of Company stock by the Trust or at the special request by the Trustee, on an interim basis, the Trustee will determine the fair value in consultation with an independent appraiser at the relevant transaction date(s).

Note 4 - Administration of Plan Assets

Although certain administrative functions are performed by officers or employees of the Company, no such officer or employee receives compensation from the Plan. Substantially all other administrative expenses incurred by the Plan are paid directly by the Company. Expenses paid by the Company are excluded from these financial statements.

Note 5 - Related Party and Party in Interest Transactions

The Plan invests in Company common stock and has indebtedness guaranteed by the Company. These are related party and party in interest transactions. As described in note 4, the Company pays substantially all plan expenses. The Plan has a number of service providers. Such providers are parties in interest under ERISA.

Transactions involving Company common stock held by the Plan qualify as related party and party-in-interest transactions. At December 31, 2024 and 2023, the Plan held approximately 39,713 and 47,892 shares, respectively, of common stock of the Company, with a fair value of \$5,184,496 and \$5,505,224, respectively. During the year ended December 31, 2024 and 2023, the Plan recognized dividend income of \$744,045 and \$51,260, respectively.

Note 6 - Tax Status

The Plan obtained its latest determination letter dated September 19, 2017, in which the IRS stated that the Plan, as then designed, was in compliance with applicable requirements of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan's management and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt. The Plan is subject to audits by the IRS; however, there are currently no audits for any tax periods in progress.

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Company has taken a significant uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to audits by the IRS for certain tax periods based on applicable laws and regulations; however, there are currently no audits for any tax periods in progress.

Note 7 - Plan Termination

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon termination of the Plan, the Employee Benefits Administration Committee directs the Trustee to pay all liabilities and expenses of the Plan and to sell shares of financed common stock held as collateral to the extent it determines such sale to be necessary in order to repay the loan. Subsequently, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC.

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements For the Year Ended December 31, 2024

Note 8 - Loan Payable

In 2014, the Plan entered into a term loan agreement in the amount of \$600,000 with Harris Group, Inc. to purchase 10,206 shares of the Company's common stock. The note, as amended, requires annual principal payments to \$40,000 for six years with the balance and accrued interest due on March 26, 2027. The note bears interest on the outstanding principal balance at an annual rate of 0.62% and is secured by the unallocated Company shares held by the Plan. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year payments divided by the total of this year's payments, plus all future years' principal and interest payments. This resulted in 542 shares being released and allocated for both of the plan years ended December 31, 2024 and 2023.

The scheduled principal payments of the loan are as follows:

For the Year Ending December 31,

2025	\$ 40,000
2026	40,000
2027	<u>167,291</u>
	<u><u>\$ 247,291</u></u>

SUPPLEMENTARY INFORMATION

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

Attachment to Form 5500, Schedule H, Line 4(i)
Schedule of Assets Held as of December 31, 2024

Employer: Harris Group Inc.

EIN: 91-0931646

Plan No.: 002

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
*	Harris Group Inc. Schwab Government Money Fund	39,712.72 shares of common stock Mutual Fund	\$ 2,132,115 678,213	\$ 5,184,496 678,213
			<u>\$ 2,810,328</u>	<u>\$ 5,862,709</u>

* Party-in-interest as defined by section 3(14) of ERISA.

HARRIS GROUP INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

Attachment to Form 5500, Schedule H, Line 4(i)
Schedule of Assets Held as of December 31, 2024

Employer: Harris Group Inc.

EIN: 91-0931646

Plan No.: 002

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
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* Party-in-interest as defined by section 3(14) of ERISA.