

<p style="text-align: center;">Form 5500</p> <p style="font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="font-size: small;">Department of Labor Employee Benefits Security Administration</p> <hr/> <p style="font-size: x-small;">Pension Benefit Guaranty Corporation</p>	<p>Annual Return/Report of Employee Benefit Plan</p> <p style="font-size: x-small;">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).</p> <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	<p style="font-size: x-small;">OMB Nos. 1210-0110 1210-0089</p> <hr/> <p style="font-size: large; font-weight: bold; text-align: center;">2024</p> <hr/> <p style="text-align: center; font-weight: bold;">This Form is Open to Public Inspection</p>
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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

<p>1a Name of plan <u>CONTROL SOUTHERN, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u></p>	<p>1b Three-digit plan number (PN) ▶ <u>002</u></p>
<p>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>CONTROL SOUTHERN, INC.</u></p> <p><u>3850 LAKEFIELD DRIVE</u> <u>SUWANEE, GA 30024</u></p>	<p>1c Effective date of plan <u>01/01/2021</u></p> <p>2b Employer Identification Number (EIN) <u>58-0807099</u></p> <p>2c Plan Sponsor's telephone number <u>770-495-3100</u></p> <p>2d Business code (see instructions) <u>423800</u></p>

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	DOUGLAS TURNER
	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

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	230
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)	207
	6a(2)	204
	6b	1
	6c	25
	6d	230
	6e	2
	6f	232
	6g(1)	222
6g(2)	230	
6h	17	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

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

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

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

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

a Pension Schedules

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

b General Schedules

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

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

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

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

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

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

Receipt Confirmation Code _____

**SCHEDULE H
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2024

This Form is Open to Public Inspection

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

A Name of plan CONTROL SOUTHERN, 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 CONTROL SOUTHERN, INC.		D Employer Identification Number (EIN) 58-0807099	

Part I Asset and Liability Statement

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

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

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	18077400	21354300
(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	18077400	21354300
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i	9928826	8378394
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	9928826	8378394
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	8148574	12975906

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)	514602	
(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)		514602
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(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)		0
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)	1264000	
(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)		
(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)	3276900	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		5055502

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	43494	
(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)		43494
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		184676
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		228170

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		4827332
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: **BENNETT THRASHER, LLP**

(2) EIN: **58-1673613**

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.
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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>CONTROL SOUTHERN, 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>CONTROL SOUTHERN, INC.</u>	D Employer Identification Number (EIN) <u>58-0807099</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): 33-6134835

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 _____.

**Control Southern, Inc.
Employee Stock Ownership Plan**

Financial Statements
December 31, 2024 and 2023



Control Southern, Inc. Employee Stock Ownership Plan

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* Other schedules required by the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because there is no information to report.



Independent Auditor's Report

To the Administrator of
Control Southern, Inc. Employee Stock Ownership Plan

Opinion on the Financial Statements

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

In our opinion, the financial statements referred to above are presented fairly, in all material respects, the net assets available for benefits of Control Southern, Inc. Employee Stock Ownership Plan as of December 31, 2024 and 2023, and the changes in its 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 on the Financial Statements

We conducted our audit 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 the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern over the twelve months from the report date.

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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 the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.



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

Supplemental Schedule Required by ERISA

The supplemental schedule of the Plan, as listed in the accompanying index, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule has been subjected to 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 schedule, we evaluated whether the supplemental schedule, including the form and content, is presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

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

Bennett Thrasher LLP

Atlanta, Georgia
October 13, 2025

Control Southern, Inc. Employee Stock Ownership Plan

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

	2024			2023		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
Assets:						
Investments, at fair value	<u>\$ 9,005,210</u>	<u>\$ 12,349,090</u>	<u>\$ 21,354,300</u>	<u>\$ 5,919,040</u>	<u>\$ 12,158,360</u>	<u>\$ 18,077,400</u>
Total assets	<u>9,005,210</u>	<u>12,349,090</u>	<u>21,354,300</u>	<u>5,919,040</u>	<u>12,158,360</u>	<u>18,077,400</u>
Liabilities:						
Loan payable to Control Southern, Inc.	<u>-</u>	<u>8,378,394</u>	<u>8,378,394</u>	<u>-</u>	<u>9,928,826</u>	<u>9,928,826</u>
Total liabilities	<u>-</u>	<u>8,378,394</u>	<u>8,378,394</u>	<u>-</u>	<u>9,928,826</u>	<u>9,928,826</u>
Net assets available for benefits	<u>\$ 9,005,210</u>	<u>\$ 3,970,696</u>	<u>\$ 12,975,906</u>	<u>\$ 5,919,040</u>	<u>\$ 2,229,534</u>	<u>\$ 8,148,574</u>

See accompanying notes to financial statements.

Control Southern, Inc. Employee Stock Ownership Plan

Statement of Changes in Net Assets Available for Benefits For the Year Ended December 31, 2024

	Allocated	Unallocated	Total
Additions to net assets attributed to:			
Contributions	<u>\$ 43,494</u>	<u>\$ 471,108</u>	<u>\$ 514,602</u>
Investment income:			
Net appreciation in fair value of investments	1,072,948	2,203,952	3,276,900
Dividend income	<u>-</u>	<u>1,264,000</u>	<u>1,264,000</u>
Total investment income	<u>1,072,948</u>	<u>3,467,952</u>	<u>4,540,900</u>
Allocation of 93,335 shares of preferred stock	<u>2,013,222</u>	<u>-</u>	<u>2,013,222</u>
Total additions	<u>3,129,664</u>	<u>3,939,060</u>	<u>7,068,724</u>
Deductions from net assets attributed to:			
Interest expense	-	184,676	184,676
Distributions to participants	43,494	-	43,494
Allocation of 93,335 shares of preferred stock	<u>-</u>	<u>2,013,222</u>	<u>2,013,222</u>
Total deductions	<u>43,494</u>	<u>2,197,898</u>	<u>2,241,392</u>
Net increase	3,086,170	1,741,162	4,827,332
Net assets available for benefits, beginning of year	<u>5,919,040</u>	<u>2,229,534</u>	<u>8,148,574</u>
Net assets available for benefits, end of year	<u>\$ 9,005,210</u>	<u>\$ 3,970,696</u>	<u>\$ 12,975,906</u>

Control Southern, Inc. Employee Stock Ownership Plan

Notes to Financial Statements December 31, 2024 and 2023

Note 1: Description of the Plan

The following description of the Control Southern, Inc. Employee Stock Ownership Plan (the Plan) provides only general information. Participants should refer to the Plan Document for a more comprehensive description of the Plan's provisions.

Organization

The Plan was established on January 1, 2021, to enable participating employees of Control Southern, Inc. (the Company) to share in the ownership and growth of the Company. The Plan operates 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 (Code), and is subject to the applicable provisions of the Employment Retirement Income Security Act of 1974, as amended (ERISA).

Administration

The Plan is administered by three persons appointed by the Company's Board of Directors (the Plan Committee) and the Plan's Trustee is an independent third-party.

In January 2021, the Plan purchased 990,000 Company Preferred shares from a stockholder in a seller-financed transaction guaranteed by the Company. The Plan holds the stock in a trust established under the Plan. The seller-financed loan was refinanced and taken over by the Company. The Plan then entered into a loan agreement with the Company to be repaid over thirty years by fully deductible Company contributions to the trust (see Note 5). As the Plan makes each payment of principal and interest, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the Code. The loan is collateralized by the unallocated shares of stock. The Company has no rights against the shares once they are allocated under the ESOP. Accordingly, the financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to (1) the accounts of employees with vested rights in allocated stock (Allocated) and (2) stock not yet allocated to employees (Unallocated).

The Plan's assets, which consist of Control Southern, Inc. preferred shares, are held by the Trustee of the Plan. Contributions are held and managed by the Trustee. The Trustee also makes distributions to participants. The Trustee administers the payment of interest and principal on the loan, which is reimbursed to the Trustee through contributions as determined by the Company.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses are paid directly by the Company or funded into the Plan by the Company.

Eligibility

Employees of the Company are generally eligible to participate in the Plan after one year of service and have attained the age of 18. In addition, except in the case of death, disability, or retirement, a participant will share in the allocation of contributions and forfeitures only if the participant is still employed on the last day of the Plan year and has completed at least 1,000 hours of service during that Plan year.

Contributions

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

Allocation

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

Vesting

Subject to the provisions within the Plan Document, a participant becomes 20% vested after two years of completed service, and additional vesting is earned at the rate of 20% per year, which results in 100% vesting after six years of service. If a participant's employment ends due to retirement, permanent disability or death, they will be considered 100% vested regardless of years of service.

Distributions

Distributions on account of death, disability or retirement are made in a series of not less than five annual installments, commencing in the Plan year following the event. If the vested account balance is less than \$1,000, a lump sum payment will be made in the Plan year following the event. Distributions for other separations from service commence in the fifth Plan year following the separation and generally are made in five annual installments, although account balances less than \$5,000 can be rolled into another eligible retirement plan or paid directly. No distributions from the Plan, other than distributions on account of death, disability, diversification, or retirement, can be made until the Plan year following the Plan year in which the internal ESOP loan has been fully paid. Distributions are made in cash.

Under the provisions of the Plan, the Company is obligated to repurchase participant shares which have been allocated under the terms of the Plan. During 2024, the Company repurchased 2,382 shares for \$43,494.

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 Trustee prior to the time that such rights are to be exercised. The Trustee is not permitted to vote any allocated shares for which instructions have not been given by a participant. The Trustee is required, however, to vote any shares on behalf of the collective best interest of Plan participants and beneficiaries.

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 as of the last day of each plan year with an allocation of the Company's preferred stock released by the Trustee from the unallocated account and forfeitures of terminated participants' non-vested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation.

Put Option

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

Dividends

The ESOP stock is entitled to cumulative annual dividends of \$1.28 per share (total \$1,264,000 per annum on 990,000 shares), computed at 8.0% of the purchase price per share, payable annually commencing on December 31, 2022, and continuing on December 31 of each year thereafter until December 31, 2025 (the "Dividend Cap Date"), until the total dividends paid equal \$5.11 per share (the "Mandatory ESOP Dividends"), plus discretionary dividends payable only on shares of the ESOP Stock (the "Discretionary ESOP Dividends"). The ESOP Stock is callable at a redemption price computed as the value of: (i) one share of Preferred Stock plus; (ii) cash equal to the present value of the unpaid Mandatory ESOP Dividends from the date of issuance through the Dividend Cap Date (discounted at the long-term Applicable Federal Rate). The ESOP Stock is convertible into Common Stock on a one-for-one basis at any time. Ownership of the ESOP Stock is restricted to the ESOP, which restriction is enforced by a mandatory conversion to Preferred Stock of equivalent value in the hands of a non-permitted holder at a 1:1 ratio. Upon any liquidation or deemed liquidation of the Company prior to payment of the Mandatory ESOP Dividends, the holder of the ESOP Stock will have a liquidation preference equal to the present value of all unpaid Mandatory ESOP Dividends (discounted at the long-term Applicable Federal Rate), and then share in equally with the Common Stock.

The Discretionary ESOP Dividends can be used either, in the Trustee's discretion, to repay the ESOP Loan, or can be paid out to ESOP participants. Dividends to allocated shares that are applied to debt service are reported as a transfer from the allocated accounts to the unallocated accounts on the statement of changes in net assets available for benefits.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan, and an account balance greater than \$500, may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage increases to 50%. Participants who elect to diversify receive a cash distribution. No participants were eligible and/or elected to diversify their investments from Company stock as of December 31, 2024 and 2023.

Forfeitures

Plan forfeitures are allocated to each participant's account based on the relation of the participant's compensation to total compensation for the Plan year. During 2024 and 2023, 8,931 and 5,987 shares of stock were forfeited from participants accounts and reallocated, respectively.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates that affect the financial statements and accompanying notes. Actual results could differ from those estimates.

Benefit Payments

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

All expenses of maintaining the Plan are paid directly by the Company or funded into the Plan by the Company.

Investment Valuation

The preferred shares of the Company are valued at fair value, which is determined annually by an independent appraiser. (see Note 3).

Risks and Uncertainties

The Plan's invested assets are exposed to various risks, such as market risk and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the accompanying statements of net assets available for benefits and statement of changes in net assets available for benefits.

Note 3: Fair Value Measurements

The Plan values investments in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurement and Disclosures*. FASB ASC 820 establishes a three-tier fair value hierarchy, which prioritized the inputs used in measuring fair value as follows:

- Level 1: Quoted prices for identical instruments in active markets at the measurement date. Investments that are listed on a United States securities exchange are valued at their last sales price on the largest United States securities exchange on which such securities have traded.
- Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active and model-derived valuation in which all significant inputs and significant value drivers are observable in active markets at the date and for the anticipated term of the instrument.
- Level 3: Valuation derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The assets or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level 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 fair value of the Company preferred stock is determined by an annual independent appraisal. This appraisal was based on a combination of the market and income valuation approaches. The appraiser took into account historical and projected cash flow and net earnings, weighted average cost of capital, market comparables, and applicable discounts and premiums. The share price as determined by the independent appraisal was \$21.57 and \$18.26 as of December 31, 2024 and 2023, respectively.

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

The following tables presents fair value measurement information for the Plan’s investments.

Assets at Fair Value as of December 31, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Control Southern, Inc. preferred stock	\$ -	\$ -	\$ 21,354,300	\$ 21,354,300

Assets at Fair Value as of December 31, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Control Southern, Inc. preferred stock	\$ -	\$ -	\$ 18,077,400	\$ 18,077,400

Gains and losses (realized or unrealized) included in the statement of changes in net assets available for benefits for the year ended December 31, 2024, are reported in net appreciation (depreciation) in fair value of investments.

The Plan’s policy is to recognize transfers in and out of Level 3 as of the date of the transaction or change in circumstances that caused the transfer. During 2024, there were no transfers in or out of Level 3.

The changes in investments measured at fair value for which the Plan has used Level 3 inputs to determine fair value as of December 31, 2024 are as follows:

Balance, beginning of the year	\$ 18,077,400
Unrealized appreciation	<u>3,276,900</u>
Balance, end of year	<u>\$ 21,354,300</u>

Note 4: Investment in Sponsor Common Stock

The Plan's investment in the preferred stock of Control Southern, Inc. is allocated as follows:

December 31, 2024:

	Shares	Market Value	Cost
Allocated to participants	417,488	\$ 9,005,210	\$ 6,662,935
Unallocated shares	<u>572,512</u>	<u>12,349,090</u>	<u>9,137,065</u>
	<u>990,000</u>	<u>\$ 21,354,300</u>	<u>\$ 15,800,000</u>

December 31, 2023:

	Shares	Market Value	Cost
Allocated to participants	324,153	\$ 5,919,040	\$ 5,173,357
Unallocated shares	<u>665,847</u>	<u>12,158,360</u>	<u>10,626,643</u>
	<u>990,000</u>	<u>\$ 18,077,400</u>	<u>\$ 15,800,000</u>

Investment in the Company's preferred stock represented approximately 100% of the net assets available for benefits as of December 31, 2024 and 2023.

Note 5: Loan Payable

In 2021, the Plan entered into a \$15,800,000 loan agreement with a stockholder of the Company. The proceeds of the loan were used to purchase 990,000 shares of Control Southern, Inc. preferred stock and is collateralized by unallocated shares. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any given year is determined by the number of shares held as collateral, times the ratio of the current year's payments divided by the total of this year's payment, plus all future year' principal and interest payment. This resulted in 93,335 and 148,222 shares being released and allocated for the Plan years ended December 31, 2024 and 2023, respectively.

Future minimum loan payments as of December 31, 2024:

December 31, 2025	\$ 409,352
December 31, 2026	409,352
December 31, 2027	409,352
December 31, 2028	409,352
December 31, 2029	409,352
Thereafter	<u>6,331,634</u>
	<u>\$ 8,378,394</u>

Note 6: Party-In-Interest Transactions

For the years ended December 31, 2024 and 2023, the Plan had investments in 990,000 preferred shares of Control Southern, Inc. with a cost basis of \$15,800,000. The Plan made interest payments of \$184,676 and \$216,878 to the Company on the ESOP loan for the years ended December 31, 2024 and 2023, respectively.

The Company pays or funds all expenses of the Plan. The Plan has several service providers which are considered parties-in-interest under ERISA.

Note 7: Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Internal Revenue Code (IRC) and ERISA. Upon termination of the Plan, the Plan Committee will direct the Trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed preferred stock held as collateral to the extent it determines such sale to be necessary in order to repay the loan. Subsequently, the interest of participants in the trust fund at termination will be 100% vested and distributed to each participant or their beneficiary at the time prescribed by the Plan terms and the IRC.

Note 8: Income Tax Status

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated January 9, 2023, that the Plan and related trust are designed in accordance with applicable sections of the IRC.

The Plan Administrator believes the Plan is designed and currently operating in compliance with the applicable requirements of the IRC and that the Plan was qualified and the related trust was tax exempt as of December 31, 2024.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2024, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 9: Subsequent Events

Subsequent to December 31, 2024, the Plan's 990,000 preferred shares were converted to voting common shares on a 1:1 basis. The Plan also purchased 770,000 voting common shares from a stockholder resulting in the Plan owning 100% of the outstanding voting common shares of the Company.

The Company has evaluated events and transactions occurring subsequent to December 31, 2024 through the report date, which is the date these financial statements were available for issuance. During this period, all subsequent events requiring recognition or non-recognized subsequent events requiring disclosure have been incorporated into these financial statements.

* * * * *

Supplemental Schedule

Control Southern, Inc. Employee Stock Ownership Plan

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

December 31, 2024

Employer Identification Number 87-6819603 - Plan No. -002

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of Investment (Number of shares)	(d) Cost	(e) Current Value
	Investments, at fair value:			
*	Control Southern, Inc.	Preferred stock - 417,488 allocated shares and 572,512 unallocated shares	\$ 15,800,000	\$ 21,354,300

* A party-in-interest as defined by ERISA.

See accompanying notes to financial statements and independent auditor's report.