

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 07/01/2024 and ending 06/30/2025

- 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.) [X] a single-employer plan [ ] a DFE (specify) \_\_\_\_
B This return/report is: [ ] the first return/report [X] 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: [X] 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: MASTER MAGNETICS, INC. AMENDED AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 002
1c Effective date of plan: 07/01/2016
2a Plan sponsor's name (employer, if for a single-employer plan): TENGAM PRO, INC.
2b Employer Identification Number (EIN): 84-0715559
2c Plan Sponsor's telephone number: 303-688-3966
2d Business code (see instructions): 423990

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

Table with 4 columns: SIGN HERE, Signature, Date, and Name. Rows include plan administrator, employer/plan sponsor, and DFE.

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

Form 5500 (2024) v. 240311

<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	<b>3b</b> Administrator's EIN	
	<b>3c</b> Administrator's telephone number	
<b>4</b> 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: <b>a</b> Sponsor's name <b>c</b> Plan Name	<b>4b</b> EIN	
	<b>4d</b> PN	
<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b>	122
<b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). <b>a(1)</b> Total number of active participants at the beginning of the plan year ..... <b>a(2)</b> Total number of active participants at the end of the plan year ..... <b>b</b> Retired or separated participants receiving benefits..... <b>c</b> Other retired or separated participants entitled to future benefits ..... <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> ..... <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. .... <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> ..... <b>g(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) ..... <b>g(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) ..... <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>6a(1)</b>	0
	<b>6a(2)</b>	0
	<b>6b</b>	0
	<b>6c</b>	0
	<b>6d</b>	0
	<b>6e</b>	0
	<b>6f</b>	0
	<b>6g(1)</b>	122
<b>6g(2)</b>	0	
<b>6h</b>	0	
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b>	

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

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

<b>9a</b> Plan funding arrangement (check all that apply)	<b>9b</b> 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 0
- (5)  **MEP** (Multiple-Employer Retirement Plan Information)

**b General Schedules**

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

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

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**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.

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**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 \_\_\_\_\_

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<b>SCHEDULE C</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Service Provider Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2024 or fiscal plan year beginning **07/01/2024** and ending **06/30/2025**

<b>A</b> Name of plan <b>MASTER MAGNETICS, INC. AMENDED AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN</b>	<b>B</b> Three-digit plan number (PN) ▶	<b>002</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>TENGAM PRO, INC.</b>	<b>D</b> Employer Identification Number (EIN) <b>84-0715559</b>	

**Part I Service Provider Information (see instructions)**

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

**1 Information on Persons Receiving Only Eligible Indirect Compensation**

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

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

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

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

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

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

FORVIS MAZARS

43-1815436

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49 50	OTHER SERVICES	28365	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

PRINCIPAL

42-1520346

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 50	RECORDKEEPER /BOOKKEEPER	40555	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

PRUDENT FINANCIAL

22-3703799

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
24 50	TRUSTEE	15030	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

**Part I Service Provider Information (continued)**

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

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

**Part II Service Providers Who Fail or Refuse to Provide Information**

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

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

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

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>SCHEDULE H</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Financial Information</b>  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).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning <b>07/01/2024</b> and ending <b>06/30/2025</b>	
<b>A</b> Name of plan <b>MASTER MAGNETICS, INC. AMENDED AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN</b>	<b>B</b> Three-digit plan number (PN) ▶ <b>002</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>TENGAM PRO, INC.</b>	<b>D</b> Employer Identification Number (EIN) <b>84-0715559</b>

<b>Part I</b>	<b>Asset and Liability Statement</b>
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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
<b>a</b> Total noninterest-bearing cash .....	<b>1a</b>	
<b>b</b> Receivables (less allowance for doubtful accounts):		
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>	
<b>(2)</b> Participant contributions .....	<b>1b(2)</b>	
<b>(3)</b> Other .....	<b>1b(3)</b>	
<b>c</b> General investments:		
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>	4664790
<b>(2)</b> U.S. Government securities .....	<b>1c(2)</b>	
<b>(3)</b> Corporate debt instruments (other than employer securities):		
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>	
<b>(B)</b> All other .....	<b>1c(3)(B)</b>	
<b>(4)</b> Corporate stocks (other than employer securities):		
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>	
<b>(B)</b> Common .....	<b>1c(4)(B)</b>	
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>	
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>	
<b>(7)</b> Loans (other than to participants) .....	<b>1c(7)</b>	
<b>(8)</b> Participant loans .....	<b>1c(8)</b>	
<b>(9)</b> Value of interest in common/collective trusts .....	<b>1c(9)</b>	
<b>(10)</b> Value of interest in pooled separate accounts .....	<b>1c(10)</b>	
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>	
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>	
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....	<b>1c(13)</b>	
<b>(14)</b> Value of funds held in insurance company general account (unallocated contracts) .....	<b>1c(14)</b>	
<b>(15)</b> Other .....	<b>1c(15)</b>	

<b>1d</b> Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	<b>1d(1)</b>	1750000	
(2) Employer real property.....	<b>1d(2)</b>		
<b>e</b> Buildings and other property used in plan operation.....	<b>1e</b>		
<b>f</b> Total assets (add all amounts in lines 1a through 1e).....	<b>1f</b>	6414790	0
<b>Liabilities</b>			
<b>g</b> Benefit claims payable.....	<b>1g</b>	1876	
<b>h</b> Operating payables.....	<b>1h</b>		
<b>i</b> Acquisition indebtedness.....	<b>1i</b>		
<b>j</b> Other liabilities.....	<b>1j</b>		
<b>k</b> Total liabilities (add all amounts in lines 1g through 1j).....	<b>1k</b>	1876	0
<b>Net Assets</b>			
<b>l</b> Net assets (subtract line 1k from line 1f).....	<b>1l</b>	6412914	0

**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.

<b>Income</b>		(a) Amount	(b) Total
<b>a Contributions:</b>			
(1) Received or receivable in cash from: <b>(A)</b> Employers.....	<b>2a(1)(A)</b>		
<b>(B)</b> Participants.....	<b>2a(1)(B)</b>		
<b>(C)</b> Others (including rollovers).....	<b>2a(1)(C)</b>		
(2) Noncash contributions.....	<b>2a(2)</b>		
(3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> .....	<b>2a(3)</b>		0
<b>b Earnings on investments:</b>			
<b>(1) Interest:</b>			
<b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit).....	<b>2b(1)(A)</b>		
<b>(B)</b> U.S. Government securities.....	<b>2b(1)(B)</b>		
<b>(C)</b> Corporate debt instruments.....	<b>2b(1)(C)</b>		
<b>(D)</b> Loans (other than to participants).....	<b>2b(1)(D)</b>		
<b>(E)</b> Participant loans.....	<b>2b(1)(E)</b>		
<b>(F)</b> Other.....	<b>2b(1)(F)</b>		
<b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....	<b>2b(1)(G)</b>		0
<b>(2) Dividends:</b>			
<b>(A)</b> Preferred stock.....	<b>2b(2)(A)</b>		
<b>(B)</b> Common stock.....	<b>2b(2)(B)</b>		
<b>(C)</b> Registered investment company shares (e.g. mutual funds).....	<b>2b(2)(C)</b>		
<b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....	<b>2b(2)(D)</b>		0
(3) Rents.....	<b>2b(3)</b>		
<b>(4) Net gain (loss) on sale of assets:</b>			
<b>(A)</b> Aggregate proceeds.....	<b>2b(4)(A)</b>		
<b>(B)</b> Aggregate carrying amount (see instructions).....	<b>2b(4)(B)</b>		
<b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result.....	<b>2b(4)(C)</b>		0
<b>(5) Unrealized appreciation (depreciation) of assets:</b>			
<b>(A)</b> Real estate.....	<b>2b(5)(A)</b>		
<b>(B)</b> Other.....	<b>2b(5)(B)</b>	-869621	
<b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....	<b>2b(5)(C)</b>		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts .....	<b>2b(6)</b>		
(7) Net investment gain (loss) from pooled separate accounts .....	<b>2b(7)</b>		
(8) Net investment gain (loss) from master trust investment accounts .....	<b>2b(8)</b>		
(9) Net investment gain (loss) from 103-12 investment entities .....	<b>2b(9)</b>		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) .....	<b>2b(10)</b>		
<b>c</b> Other income .....	<b>2c</b>		
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total .....	<b>2d</b>		-869621

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers .....	<b>2e(1)</b>	5459342	
(2) To insurance carriers for the provision of benefits .....	<b>2e(2)</b>		
(3) Other .....	<b>2e(3)</b>		
(4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>		5459342
<b>f</b> Corrective distributions (see instructions) .....	<b>2f</b>		
<b>g</b> Certain deemed distributions of participant loans (see instructions) .....	<b>2g</b>		
<b>h</b> Interest expense .....	<b>2h</b>		
<b>i</b> Administrative expenses:			
(1) Salaries and allowances .....	<b>2i(1)</b>		
(2) Contract administrator fees .....	<b>2i(2)</b>		
(3) Recordkeeping fees .....	<b>2i(3)</b>	40556	
(4) IQPA audit fees .....	<b>2i(4)</b>	28365	
(5) Investment advisory and investment management fees .....	<b>2i(5)</b>		
(6) Bank or trust company trustee/custodial fees .....	<b>2i(6)</b>	15030	
(7) Actuarial fees .....	<b>2i(7)</b>		
(8) Legal fees .....	<b>2i(8)</b>		
(9) Valuation/appraisal fees .....	<b>2i(9)</b>		
(10) Other trustee fees and expenses .....	<b>2i(10)</b>		
(11) Other expenses .....	<b>2i(11)</b>		
(12) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(11)</b> .....	<b>2i(12)</b>		83951
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total .....	<b>2j</b>		5543293

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>		-6412914
<b>l</b> Transfers of assets:			
(1) To this plan .....	<b>2l(1)</b>		
(2) From this plan .....	<b>2l(2)</b>		

**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: **FORVIS MAZARS**

(2) EIN: **44-0160260**

**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
<b>a</b> 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>b</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	
<b>c</b> 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	
<b>d</b> 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	
<b>e</b> Was this plan covered by a fidelity bond?	X		500000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
<b>g</b> 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	
<b>h</b> 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	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X	
<b>j</b> 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	
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	X		
<b>l</b> Has the plan failed to provide any benefit when due under the plan?		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
<b>n</b> 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 0.

**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.)

<b>5b(1)</b> Name of plan(s)	<b>5b(2)</b> EIN(s)	<b>5b(3)</b> 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 \_\_\_\_\_.

<b>SCHEDULE R</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Retirement Plan Information</b>  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).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025

<b>A</b> Name of plan <u>MASTER MAGNETICS, INC. AMENDED AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN</u>	<b>B</b> Three-digit plan number (PN) ▶	<u>002</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>TENGAM PRO, INC.</u>	<b>D</b> Employer Identification Number (EIN) <u>84-0715559</u>	

<b>Part I</b>	<b>Distributions</b>
---------------	----------------------

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions..... 

1		0
---	--	---

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):  
 EIN(s): 42-0127290

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

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year..... 

3	
---	--

<b>Part II</b>	<b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....  Yes  No  N/A  
**If the plan is a defined benefit plan, go to line 8.**

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

<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....	<b>6a</b>	
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	<b>6b</b>	
<b>c</b> 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).....	<b>6c</b>	

**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

<b>Part III</b>	<b>Amendments</b>
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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

<b>Part IV</b>	<b>ESOPs</b> (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....  Yes  No

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

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

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

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

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

<b>a</b> 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).....	<b>14a</b>	
<b>b</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).....	<b>14b</b>	
<b>c</b> 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).....	<b>14c</b>	

**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:

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....	<b>15a</b>	
<b>b</b> The corresponding number for the second preceding plan year .....	<b>15b</b>	

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

<b>a</b> Enter the number of employers who withdrew during the preceding plan year .....	<b>16a</b>	
<b>b</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.....	<b>16b</b>	

**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 \_\_\_\_\_.



# **Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan**

**EIN 84-0715559 PN 002**

**Independent Auditor's Report, Financial Statements,  
and Supplemental Schedule**

June 30, 2025 and 2024 (In Liquidation)



**Master Magnetics, Inc.  
Amended and Restated Employee Stock Ownership Plan  
June 30, 2025 and 2024 (In Liquidation)**

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## Independent Auditor's Report

Plan Administrator and Plan Management  
Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan  
Castle Rock, Colorado

### **Opinion**

We have audited the financial statements of Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan (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 June 30, 2025 and 2024, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan as of June 30, 2025 and 2024, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Emphasis of Matter – Plan Termination and Liquidation Basis of Accounting**

As discussed in Note 1 to the financial statements, Plan management elected on March 29, 2024 to terminate the Plan effective April 1, 2024, and management determined liquidation is imminent. As a result, the Plan changed its basis of accounting from the going concern basis to the liquidation basis effective April 1, 2024. Our opinion is not modified with respect to this matter

### **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 Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan's ability to continue as a going concern within one year after the date that these financial statements are available to be issued.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Master Magnetics, Inc. Amended and Restated 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 the Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

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

### ***Supplemental Schedule Required by ERISA***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule listed in the 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 audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

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

Plan Administrator and Plan Management  
Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan

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

**Forvis Mazars, LLP**

**Indianapolis, Indiana**

**January 26, 2026**

Federal Employer Identification Number: 44-0160260

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Statement of Net Assets Available for Benefits**  
**June 30, 2025 (In Liquidation)**

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	<u>Allocated</u>	<u>In Liquidation Unallocated</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Investments</b> , at fair value			
Master Magnetics, Inc. common stock	\$ -	\$ -	\$ -
<b>Net Assets Available for Benefits</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Statement of Net Assets Available for Benefits**  
**June 30, 2024(In Liquidation)**

	<u>Allocated</u>	<u>In Liquidation Unallocated</u>	<u>Total</u>
<b>ASSETS</b>			
Investments, at fair value			
Master Magnetics, Inc. common stock	\$ 1,750,000	\$ -	\$ 1,750,000
<b>Noninterest-bearing cash</b>	<u>4,622,373</u>	<u>-</u>	<u>\$ 4,622,373</u>
<b>Total Assets</b>	<u>6,372,373</u>	<u>-</u>	<u>6,372,373</u>
<b>LIABILITIES</b>			
Other	<u>1,876</u>	<u>-</u>	<u>1,876</u>
<b>Net Assets Available for Benefits</b>	<u>\$ 6,370,497</u>	<u>\$ -</u>	<u>\$ 6,370,497</u>

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Statement of Changes in Net Assets Available for Benefits**  
**Year Ended June 30, 2025(In Liquidation)**

	In Liquidation		Total
	Allocated	Unallocated	
<b>Additions</b>			
<b>Investment Income</b>			
Net depreciation in fair value of investments	\$ (869,621)	\$ -	\$ (869,621)
<b>Deductions</b>			
Benefits paid	5,459,342	-	5,459,342
Plan fees	41,534	-	41,534
<b>Total</b>	5,500,876	-	5,500,876
<b>Net Decrease</b>	(6,370,497)	-	(6,370,497)
<b>Net Assets Available for Benefits, Beginning of Year (in liquidation)</b>	6,370,497	-	6,370,497
<b>Net Assets Available for Benefits, End of Year (in liquidation)</b>	\$ -	\$ -	\$ -

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Statement of Changes in Net Assets Available for Benefits**  
**Year Ended June 30, 2024 (In Liquidation)**

	In Liquidation		Total
	Allocated	Unallocated	
<b>Additions</b>			
<b>Investment Income</b>			
Net appreciation in fair value of investments	\$ 1,863,848	\$ 661,122	\$ 2,524,970
Interest and dividend income	19,308	-	19,308
<b>Total Investment Income</b>	<u>1,883,156</u>	<u>661,122</u>	<u>2,544,278</u>
<b>Contributions</b>			
Employer contributions	-	618,359	618,359
Allocation of 144 shares of common stock, at fair value	1,832,815	-	1,832,815
<b>Total Contributions</b>	<u>1,832,815</u>	<u>618,359</u>	<u>2,451,174</u>
<b>Total Additions</b>	<u>3,715,971</u>	<u>1,279,481</u>	<u>4,995,452</u>
<b>Deductions</b>			
Benefits paid	653,660	-	653,660
Interest expense	-	30,067	30,067
Plan Fees	65,847	-	65,847
Transfer Suspende	618,359	-	618,359
Allocation of 144 shares of common stock at fair value	-	1,832,815	1,832,815
<b>Total Deductions</b>	<u>1,337,866</u>	<u>1,862,882</u>	<u>3,200,748</u>
<b>Net Increase (Decrease)</b>	2,378,105	(583,401)	1,794,704
<b>Net Assets Available for Benefits, Beginning of Year (ongoing)</b>	<u>3,992,392</u>	<u>583,401</u>	<u>4,575,793</u>
<b>Net Assets Available for Benefits, End of Year (In liquidation)</b>	<u>\$ 6,370,497</u>	<u>\$ -</u>	<u>\$ 6,370,497</u>

**Master Magnetics, Inc.  
Amended and Restated Employee Stock Ownership Plan  
Notes to Financial Statements  
June 30, 2025 and 2024 (In Liquidation)**

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**Note 1. Description of the Plan**

The following description of the Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan (Plan) provides only general information. Participants should refer to the Plan Document and *Summary Plan Description* for a more complete description of the Plan's provisions, which are available from the Plan Administrator.

**General**

Effective July 1, 2016, the Plan was established by Master Magnetics, Inc. (Employer and Company) to provide funds to participants to enable them to acquire stock ownership interest in the Company. Effective April 1, 2024, Master Magnetics, Inc. was acquired and the Plan Sponsor changed to Tengam Pro, Inc. The Plan operated, in relevant part, as a leveraged employee stock ownership plan (ESOP) and was designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (Code) and was subject to the applicable provisions of the *Employee Retirement Income Security Act of 1974*, as amended (ERISA). The Plan is administered by a third-party trustee, Prudent Fiduciary Services, LLC., effective January 1, 2024, and prior to January 1, 2024, the trustees were members of Master Magnetics, Inc. management. Principal Life Insurance Company serves as recordkeeper of the Plan.

On September 29, 2017, the Plan purchased 550 shares of the Company's common stock with cash payment of \$730,000 and a loan of \$2,430,498. The loan was due to be paid in full by June 30, 2032 but was paid in full in April 2024 (Note 7). The common stock is held in a trust.

With the acquisition of Master Magnetics, Inc., effective April 1, 2024, the Plan was terminated as elected by the Board of Directors and trustee. All unallocated shares, as of June 30, 2023, were purchased in April 2024 with the proceeds of \$5,250,000 allocated to the Plan from the sale. Remaining proceeds were then used to repurchase 75% of the shares allocated to participants in anticipation of the benefit payments due to Plan termination.

**Unallocated and Allocated Shares**

The borrowing was collateralized by the unallocated shares of common stock and was guaranteed by the Company. The lender had no rights against shares once they were allocated to participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan as of June 30, 2025 and 2024, and for the years ended June 30, 2025 and 2024, present separately the assets and liabilities and changes therein pertaining to:

- (A) The accounts of employees with vested rights in allocated common stock (Allocated), and
- (B) Common stock not yet allocated to employees (Unallocated)

Shares were released from collateral and become allocated generally in the period in which debt service was actually paid.

**Eligibility**

Employees of the Company who had completed twelve consecutive months with at least 1,000 hours of service during the Plan year were generally eligible to participate in the Plan. Plan entry was each January 1<sup>st</sup> or July 1<sup>st</sup>. Participants who did not have at least 1,000 hours of service during such Plan year or were not employed on the last working day of a Plan year were generally not eligible for an allocation of Company contributions for such year. Participants are eligible upon termination if due to death, disability or retirement on or after age 65.

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
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**June 30, 2025 and 2024 (In Liquidation)**

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Participants covered by a collective bargaining agreement or that were considered a leased employee were not eligible to participate in the Plan.

Effective for the year ending June 30, 2024, a Participant shall be entitled to share in the allocation of Employer contributions and forfeitures if he is credited with at least one thousand (1,000) hours of service and was employed by the Employer (or on approved leave of absence) on March 31, 2024.

***Employer Contributions***

The Company was obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan along with making scheduled benefit payments to participants. Contributions were allocated to participants based on their eligible compensation during the year, subject to the maximum amount permitted under the IRC. Employee and rollover contributions were not permitted.

***Participant Accounts***

The Plan is a defined-contribution plan under which a separate individual account is established for each participant. Each participant's account was credited as of the last day of each Plan year with an allocation of shares of the Company's common stock released by the trustee from the unallocated account and forfeitures of terminated participants' nonvested accounts. Allocations were based on a participant's eligible compensation, relative to total eligible compensation. Employer contributions were allocated to each participant's account based upon the relation of the participant's compensation to total compensation for the Plan year. Plan earnings were allocated to each participant's account based on the ratio of the participant's beginning of the year account balance to all participants' beginning of the year account balances. Dividends were allocated either based on compensation or account balance at beginning of the year.

***Vesting***

Participants vested in the Company's contributions and earnings thereon at a rate of 20% for each year of service up to two years and 20% for each of the next four years, becoming fully vested upon completing six years of service of credited service. Participants terminating due to normal retirement, death or disability were 100% vested. Allocated dividends paid immediately were 100% vested and unallocated dividends were 100% vested after six years of credited service. Effective April 1, 2024, all accounts became 100% vested with Plan termination.

***Put Option***

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

***Payment of Benefits***

The method of distribution was determined by the Plan Administrator in accordance with the provisions of the Plan and approved policy. Benefit distributions equal to the participant's vested account balance were payable to the participant or the participant's beneficiaries no later than one year following the close of the Plan year upon normal retirement (age 65) or upon death or disability. Terminated participants, other than those noted above, would receive a lump-sum benefit payment if the participant's account balance was less than \$7,000, effective January 1, 2024, and \$2,000 prior to January 1, 2024.

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
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**June 30, 2025 and 2024 (In Liquidation)**

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Distributions for terminated participants, other than those noted above, whose account balance was greater than \$7,000, effective January 1, 2024 and \$2,000 prior to January 1, 2024, would have benefit payments paid in four annual installments. If a participant's account balance was greater than \$1,380,000, effective January 1, 2024, and \$1,070,000, prior to January 1, 2024, the installment period would be extended by one year plus an additional year for each additional \$275,000, effective January 1, 2024, and \$210,000 prior to January 1, 2024 in excess of \$1,380,000 and \$1,170,000, respectively, not to exceed an additional five annual installments.

The amount to be distributed was based upon the immediately preceding valuation date. Distributions were made in cash or, if a participant elected, in the form of Company common shares plus cash for any fractional share. Distributions of participants' accounts holding Company stock previously acquired with the proceeds of an exempt loan would be delayed until the close of the Plan year in which such exempt loan was repaid in full. Redemption of all common stock was required by the Plan Sponsor.

75% of the participant's account balance was distributed in July 2024 and the remaining 25% of the participant's account balance was distributed in June 2025. Approximately \$1,957,000 of all Plan distributions were a rollover contribution to the Master Magnetics, Inc. 401(k) Plan.

### ***Voting Rights***

Each participant was 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 was not permitted to vote any allocated share for which a participant has not given instructions. The Trustee was required, however, to vote any unallocated shares on behalf of the collective best interest of Plan participants and beneficiaries.

### ***Diversification***

Diversification was offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who were at least age 55 with at least 10 years of participation in the Plan could elect to diversify a portion of their account. Diversification was offered to each eligible participant over a six-year period. In each of the first five years, a participant could 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 changed to 50%. Terminated participants who elected to diversify received either cash or share distributions, at the Plan Administrator's discretion. In the case of participants that were employed by the Company, the Plan Administrator could transfer cash to the participants' Company 401(k) plan accounts.

### ***Forfeitures***

Forfeitures resulted from termination of employment under circumstances which do not entitle the participant to be fully vested in the participant's accounts and occur on the earlier of the date benefits are paid or the occurrence of five consecutive breaks in service. The nonvested portion of participant account balances were forfeited upon termination of employment. Participants who were 0% vested at termination would be deemed to have been paid and would forfeit immediately. Forfeited nonvested account balances of terminated participants were reallocated to accounts of remaining participants. Forfeitures were allocated in the same manner as Employer contributions.

### ***Reinstatement***

If a participant became a former participant due to severance from employment with the employer and was reemployed before incurring five consecutive one-year breaks-in-service, the participant could immediately re-enter the Plan and any forfeited amount would be automatically credited (without interest) to the participant's account. If a participant became a former participant due to severance from employment with the employer and was reemployed after incurring five consecutive one-year breaks-in-service, no forfeited amount would be restored to the participant's account.

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
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**June 30, 2025 and 2024 (In Liquidation)**

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***Administrative Expenses***

The Plan paid for certain expenses incurred by the trustee that were directly related to the administration, execution and interpretation of the Plan.

***Plan Termination***

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or the participant's beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the Committee shall direct the trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed stock held as collateral to the extent it determines such sale to be necessary in order to repay the loan. As noted above, the Plan terminated effective April 1, 2024. 75% of the value of the account balances were distributed in July 2024 and remaining account balance value was distributed in June 2025, after IRS approval of the Plan termination was received.

**Note 2. Summary of Significant Accounting Policies**

***Basis of Accounting***

The accompanying financial statements were prepared on the accrual basis of accounting and changed to liquidation basis of accounting with the Plan termination effective April 1, 2024. The Plan amendment to terminate the Plan was signed on March 29, 2024 when it was known termination was imminent.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. The valuation of Master Magnetics, Inc. common stock held by the Plan was particularly subject to change.

***Investment Valuation and Income Recognition***

Prior to April 1, 2024, the common shares of the Company were valued at fair value as determined by the ESOP Trustee. The Trustee utilized an annual independent appraisal as the basis for their determination of fair value. Effective April 1, 2024, the fair value of the common shares was determined by the acquisition price by a third party of Master Magnetics, Inc.

Other investments are recorded at cost, which approximates fair value.

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

***Payment of Benefits***

Benefit payments to participants are recorded upon distribution.

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024 (In Liquidation)**

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***Allocations***

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

***Plan Tax Status***

The Plan obtained its latest determination letter on January 16, 2020 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving its determination letter. However, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, the Plan Administrator believes that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

The Plan received approval from the Internal Revenue Service on January 24, 2025, approving the Plan termination.

**Note 3. Administration of Plan Assets**

The trustee of the Plan holds the Plan's assets, which consist of Company common stock and noninterest-bearing cash.

Company contributions are held and managed by the trustee, which invests cash received, interest and dividend income and makes distributions to participants. The trustee also administered the payment of interest and principal on the loan, which was reimbursed to the trustee through contributions as determined by the Company.

**Note 4. Dividends**

The Company paid a dividend to the ESOP of \$1,818 per share or \$999,999 during August 2023 declared as of June 30, 2023. A portion of the dividend on allocated shares, \$346,336 was applied to debt service during August 2023. This is reported as a transfer from the allocated accounts to the unallocated accounts on the Statement of Changes in Net Assets. As required by the Plan Document, the current appraised value of the shares returned to participant accounts in exchange for the use of such dividends was at least equal to the current value of such dividends.

To the extent dividends were not used by the Plan for debt service, participants were given the right to take a distribution of such dividends in cash or leave the funds in the Plan to be invested in Company stock, as provided by the Plan.

Certain participants received their share of such dividends in cash based on allocated shares as of June 30, 2022. This amounted to \$653,660 of dividends which were paid directly by the Company to the participant during August 2023. The dividends and distributions reported on the Plan's financial statements are net of these amounts.

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
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**June 30, 2025 and 2024 (In Liquidation)**

**Note 5. Investments**

The Plan's investment, at June 30, 2024, is presented in the following table:

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Company common stock:			
Number of shares	<u>138</u>	<u>-</u>	<u>138</u>
Cost	<u>\$ 790,103</u>	<u>\$ -</u>	<u>\$ 790,103</u>
Estimated fair value	<u>\$ 1,750,000</u>	<u>\$ -</u>	<u>\$ 1,750,000</u>

**Note 6. Disclosures About Fair Value of Assets**

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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

**Recurring Measurements**

The following tables present the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2024:

	<b>2024</b>			
	<b>Fair Value Measurements Using</b>			
<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>	
Master Magnetics, Inc. common stock	<u>\$ 1,750,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,750,000</u>

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
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Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statement of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended Jun 30, 2025. The Plan had no liabilities measured at fair value on a recurring basis. In addition, the Plan had no assets or liabilities measured at fair value on a nonrecurring basis. For assets classified within Level 3 of the fair value hierarchy, the process used to develop the reported fair value is described below.

**Investments**

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. There are no Level 1 securities held by the Plan. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. There are no Level 2 securities held by the Plan. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy and include Master Magnetics, Inc. common stock.

Fair value determinations for Level 3 measurements of securities are the responsibility of the Plan trustee. The Plan trustee contracts with an independent valuation specialist to generate fair value estimates on an annual basis. The Plan trustee challenges the reasonableness of the assumptions used and reviews the methodology to ensure the estimated fair value complies with accounting standards generally accepted in the United States.

Effective April 1, 2024, the share price of \$12,727/share was determined based on the purchase price of Master Magnetics, Inc. by a third-party. This share price was used to repurchase 75% of the shares for distribution in July 2024. Remaining 25% of shares were repurchased at \$6,403/share after all liabilities of the Plan Sponsor were settled.

Prior to April 1, 2024, the fair value of the common stock was determined by annual independent appraisals made by Weiss Valuation Corp. and approved by Trustee and Plan management. The Plan's Trustee was responsible for engaging the valuation specialist including evaluation of the specialist for appropriate credentials. In addition, the Trustee was responsible for reviewing the overall assumptions made in the valuation report for reasonableness, and finally approving the valuation report.

**Level 3 Reconciliation**

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying statements of net assets available for benefits using significant unobservable (Level 3) inputs:

	<b>Common Stock</b>
<b>Balance, July 1, 2023</b>	\$ 4,474,998
Total unrealized gain	2,524,970
Sales	<u>(5,249,968)</u>
<b>Balance, June 30, 2024</b>	\$ 1,750,000
Total unrealized loss	(869,621)
Sales	<u>(880,379)</u>
<b>Balance, June 30, 2025</b>	<u><u>\$ -</u></u>

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024 (In Liquidation)**

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For the year ended June 30, 2025, realized and unrealized gains and losses included in net increase in net assets available for benefits for the period from July 1, 2024 through June 30, 2025, are reported in net appreciation in fair value of investments in the statement of changes in net assets available for benefits.

**Note 7. Note Payable**

On September 29, 2017, the Plan entered into a \$2,430,498 term loan agreement with the Company. The note bore interest at 7% and was scheduled to mature on June 30, 2032. The note was paid in fully during April 2024. The note required annual principal payments of \$162,033 plus interest. The proceeds of the loan were used to purchase the Company's common stock. Unallocated shares were collateral for the loan. After the initial purchase of 550 shares, shares were released from collateral and allocated to participants as payments of principal and interest were made. The number of shares released in any year was the number of shares held as collateral, times the ratio of the current year payments divided by the total of the year's payments, plus all future years' principal and interest payments. Principal payments in the amount of \$899,205 and interest payments in the amount of \$30,067 were made during the year ended June 30, 2024. These payments included a portion of the June 30, 2023 declared dividends (\$346,339) used to make debt payments.

**Note 8. Related-Party and Party-in-Interest Transactions**

Party-in-interest transactions included those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such an employer or employee association, or relatives of such persons.

The Plan invests in Company common stock and has indebtedness guaranteed by the Company. The Plan has other service providers. Such providers are parties in interest under ERISA. Administrative fees paid to Principal totaled \$42,417 for the year ended June 30, 2024. Legal and professional fees paid by the Plan totaled \$41,534 and \$23,430 for the years ended June 30, 2025 and 2024.

The Company provides certain administrative services at no cost to the Plan.

**Note 9. Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of net assets available for benefits per the financial statements at June 30, 2024, to Form 5500:

Net assets available for benefits per the financial statements	\$ 6,370,497
Fees paid reducing cash balance	<u>42,417</u>
Net assets available for benefits per Form 5500	<u><u>\$ 6,412,914</u></u>

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024 (In Liquidation)**

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The cash account balance, of \$4,664,790, on the Form 5500 was when the account was interest-bearing, however, as of June 30, 2024, the cash account moved to a different bank account which is noninterest-bearing as reported on the financial statements.

The following is a reconciliation of benefits paid to participants per the financial statements to benefits paid to participants per the Form 5500 for the years ended June 30, 2024

Benefits paid to participants per the financial statements	\$ 653,660
Benefit claims payable, beginning of year	<u>(653,660)</u>
Benefits paid to participants per the Form 5500	<u><u>\$ -</u></u>

The following is a reconciliation of administrative expenses per the financial statements to benefits paid to participants per the Form 5500 for the year ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Administrative expenses per the financial statements	\$ 41,534	\$ 65,847
Fees paid in June 2024	<u>42,417</u>	<u>(42,417)</u>
Administrative expenses per the Form 5500	<u><u>\$ 83,951</u></u>	<u><u>\$ 23,430</u></u>

**Note 10. Subsequent Events**

Subsequent events have been evaluated through January 26, 2026, which is the date the financial statements were available to be issued.

***Supplemental Schedule***

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**EIN 84-0715559 PN 002**  
**Schedule H, Line 4j - Schedule of Reportable Transactions**  
**Year Ended June 30 2025 (In Liquidation)**

(a) Identity of Party Involved	(b) Description of Asset Including Interest Rate and Maturity for Loans	(c) Purchase Price	(d) Selling Price	(e) Cost of Asset	(f) Current Value of Asset on Transaction Date	(g) Net Gain or (Loss)					
Issuer	Master Magnetics, Inc. common stock	\$	-	\$	880,379	\$	790,103	\$	880,379	\$	90,276



# **Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan**

**EIN 84-0715559 PN 002**

**Independent Auditor's Report, Financial Statements,  
and Supplemental Schedule**

June 30, 2025 and 2024 (In Liquidation)



**Master Magnetics, Inc.  
Amended and Restated Employee Stock Ownership Plan  
June 30, 2025 and 2024 (In Liquidation)**

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## Independent Auditor's Report

Plan Administrator and Plan Management  
Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan  
Castle Rock, Colorado

### **Opinion**

We have audited the financial statements of Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan (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 June 30, 2025 and 2024, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan as of June 30, 2025 and 2024, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Emphasis of Matter – Plan Termination and Liquidation Basis of Accounting**

As discussed in Note 1 to the financial statements, Plan management elected on March 29, 2024 to terminate the Plan effective April 1, 2024, and management determined liquidation is imminent. As a result, the Plan changed its basis of accounting from the going concern basis to the liquidation basis effective April 1, 2024. Our opinion is not modified with respect to this matter

### **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 Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan's ability to continue as a going concern within one year after the date that these financial statements are available to be issued.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Master Magnetics, Inc. Amended and Restated 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 the Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

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

### ***Supplemental Schedule Required by ERISA***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule listed in the 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 audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

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

Plan Administrator and Plan Management  
Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan

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

**Forvis Mazars, LLP**

Indianapolis, Indiana

January 26, 2026

Federal Employer Identification Number: 44-0160260

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Statement of Net Assets Available for Benefits**  
**June 30, 2025 (In Liquidation)**

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	<u>Allocated</u>	<u>In Liquidation Unallocated</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Investments</b> , at fair value			
Master Magnetics, Inc. common stock	\$ -	\$ -	\$ -
<b>Net Assets Available for Benefits</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Statement of Net Assets Available for Benefits**  
**June 30, 2024(In Liquidation)**

	<u>Allocated</u>	<u>In Liquidation Unallocated</u>	<u>Total</u>
<b>ASSETS</b>			
Investments, at fair value			
Master Magnetics, Inc. common stock	\$ 1,750,000	\$ -	\$ 1,750,000
Noninterest-bearing cash	<u>4,622,373</u>	<u>-</u>	<u>\$ 4,622,373</u>
<b>Total Assets</b>	<u>6,372,373</u>	<u>-</u>	<u>6,372,373</u>
<b>LIABILITIES</b>			
Other	<u>1,876</u>	<u>-</u>	<u>1,876</u>
<b>Net Assets Available for Benefits</b>	<u>\$ 6,370,497</u>	<u>\$ -</u>	<u>\$ 6,370,497</u>

**Master Magnetics, Inc.  
Amended and Restated Employee Stock Ownership Plan  
Statement of Changes in Net Assets Available for Benefits  
Year Ended June 30, 2025(In Liquidation)**

	In Liquidation		Total
	Allocated	Unallocated	
<b>Additions</b>			
<b>Investment Income</b>			
Net depreciation in fair value of investments	\$ (869,621)	\$ -	\$ (869,621)
<b>Deductions</b>			
Benefits paid	5,459,342	-	5,459,342
Plan fees	41,534	-	41,534
<b>Total</b>	5,500,876	-	5,500,876
<b>Net Decrease</b>	(6,370,497)	-	(6,370,497)
<b>Net Assets Available for Benefits, Beginning of Year (in liquidation)</b>	6,370,497	-	6,370,497
<b>Net Assets Available for Benefits, End of Year (in liquidation)</b>	\$ -	\$ -	\$ -

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Statement of Changes in Net Assets Available for Benefits**  
**Year Ended June 30, 2024 (In Liquidation)**

	In Liquidation		Total
	Allocated	Unallocated	
<b>Additions</b>			
<b>Investment Income</b>			
Net appreciation in fair value of investments	\$ 1,863,848	\$ 661,122	\$ 2,524,970
Interest and dividend income	19,308	-	19,308
<b>Total Investment Income</b>	<u>1,883,156</u>	<u>661,122</u>	<u>2,544,278</u>
<b>Contributions</b>			
Employer contributions	-	618,359	618,359
Allocation of 144 shares of common stock, at fair value	1,832,815	-	1,832,815
<b>Total Contributions</b>	<u>1,832,815</u>	<u>618,359</u>	<u>2,451,174</u>
<b>Total Additions</b>	<u>3,715,971</u>	<u>1,279,481</u>	<u>4,995,452</u>
<b>Deductions</b>			
Benefits paid	653,660	-	653,660
Interest expense	-	30,067	30,067
Plan Fees	65,847	-	65,847
Transfer Suspende	618,359	-	618,359
Allocation of 144 shares of common stock at fair value	-	1,832,815	1,832,815
<b>Total Deductions</b>	<u>1,337,866</u>	<u>1,862,882</u>	<u>3,200,748</u>
<b>Net Increase (Decrease)</b>	2,378,105	(583,401)	1,794,704
<b>Net Assets Available for Benefits, Beginning of Year (ongoing)</b>	<u>3,992,392</u>	<u>583,401</u>	<u>4,575,793</u>
<b>Net Assets Available for Benefits, End of Year (In liquidation)</b>	<u>\$ 6,370,497</u>	<u>\$ -</u>	<u>\$ 6,370,497</u>

**Master Magnetics, Inc.  
Amended and Restated Employee Stock Ownership Plan  
Notes to Financial Statements  
June 30, 2025 and 2024 (In Liquidation)**

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## **Note 1. Description of the Plan**

The following description of the Master Magnetics, Inc. Amended and Restated Employee Stock Ownership Plan (Plan) provides only general information. Participants should refer to the Plan Document and *Summary Plan Description* for a more complete description of the Plan's provisions, which are available from the Plan Administrator.

### **General**

Effective July 1, 2016, the Plan was established by Master Magnetics, Inc. (Employer and Company) to provide funds to participants to enable them to acquire stock ownership interest in the Company. Effective April 1, 2024, Master Magnetics, Inc. was acquired and the Plan Sponsor changed to Tengam Pro, Inc. The Plan operated, in relevant part, as a leveraged employee stock ownership plan (ESOP) and was designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (Code) and was subject to the applicable provisions of the *Employee Retirement Income Security Act of 1974*, as amended (ERISA). The Plan is administered by a third-party trustee, Prudent Fiduciary Services, LLC., effective January 1, 2024, and prior to January 1, 2024, the trustees were members of Master Magnetics, Inc. management. Principal Life Insurance Company serves as recordkeeper of the Plan.

On September 29, 2017, the Plan purchased 550 shares of the Company's common stock with cash payment of \$730,000 and a loan of \$2,430,498. The loan was due to be paid in full by June 30, 2032 but was paid in full in April 2024 (Note 7). The common stock is held in a trust.

With the acquisition of Master Magnetics, Inc., effective April 1, 2024, the Plan was terminated as elected by the Board of Directors and trustee. All unallocated shares, as of June 30, 2023, were purchased in April 2024 with the proceeds of \$5,250,000 allocated to the Plan from the sale. Remaining proceeds were then used to repurchase 75% of the shares allocated to participants in anticipation of the benefit payments due to Plan termination.

### **Unallocated and Allocated Shares**

The borrowing was collateralized by the unallocated shares of common stock and was guaranteed by the Company. The lender had no rights against shares once they were allocated to participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan as of June 30, 2025 and 2024, and for the years ended June 30, 2025 and 2024, present separately the assets and liabilities and changes therein pertaining to:

- (A) The accounts of employees with vested rights in allocated common stock (Allocated), and
- (B) Common stock not yet allocated to employees (Unallocated)

Shares were released from collateral and become allocated generally in the period in which debt service was actually paid.

### **Eligibility**

Employees of the Company who had completed twelve consecutive months with at least 1,000 hours of service during the Plan year were generally eligible to participate in the Plan. Plan entry was each January 1<sup>st</sup> or July 1<sup>st</sup>. Participants who did not have at least 1,000 hours of service during such Plan year or were not employed on the last working day of a Plan year were generally not eligible for an allocation of Company contributions for such year. Participants are eligible upon termination if due to death, disability or retirement on or after age 65.

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024 (In Liquidation)**

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Participants covered by a collective bargaining agreement or that were considered a leased employee were not eligible to participate in the Plan.

Effective for the year ending June 30, 2024, a Participant shall be entitled to share in the allocation of Employer contributions and forfeitures if he is credited with at least one thousand (1,000) hours of service and was employed by the Employer (or on approved leave of absence) on March 31, 2024.

***Employer Contributions***

The Company was obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan along with making scheduled benefit payments to participants. Contributions were allocated to participants based on their eligible compensation during the year, subject to the maximum amount permitted under the IRC. Employee and rollover contributions were not permitted.

***Participant Accounts***

The Plan is a defined-contribution plan under which a separate individual account is established for each participant. Each participant's account was credited as of the last day of each Plan year with an allocation of shares of the Company's common stock released by the trustee from the unallocated account and forfeitures of terminated participants' nonvested accounts. Allocations were based on a participant's eligible compensation, relative to total eligible compensation. Employer contributions were allocated to each participant's account based upon the relation of the participant's compensation to total compensation for the Plan year. Plan earnings were allocated to each participant's account based on the ratio of the participant's beginning of the year account balance to all participants' beginning of the year account balances. Dividends were allocated either based on compensation or account balance at beginning of the year.

***Vesting***

Participants vested in the Company's contributions and earnings thereon at a rate of 20% for each year of service up to two years and 20% for each of the next four years, becoming fully vested upon completing six years of service of credited service. Participants terminating due to normal retirement, death or disability were 100% vested. Allocated dividends paid immediately were 100% vested and unallocated dividends were 100% vested after six years of credited service. Effective April 1, 2024, all accounts became 100% vested with Plan termination.

***Put Option***

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

***Payment of Benefits***

The method of distribution was determined by the Plan Administrator in accordance with the provisions of the Plan and approved policy. Benefit distributions equal to the participant's vested account balance were payable to the participant or the participant's beneficiaries no later than one year following the close of the Plan year upon normal retirement (age 65) or upon death or disability. Terminated participants, other than those noted above, would receive a lump-sum benefit payment if the participant's account balance was less than \$7,000, effective January 1, 2024, and \$2,000 prior to January 1, 2024.

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
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**June 30, 2025 and 2024 (In Liquidation)**

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Distributions for terminated participants, other than those noted above, whose account balance was greater than \$7,000, effective January 1, 2024 and \$2,000 prior to January 1, 2024, would have benefit payments paid in four annual installments. If a participant's account balance was greater than \$1,380,000, effective January 1, 2024, and \$1,070,000, prior to January 1, 2024, the installment period would be extended by one year plus an additional year for each additional \$275,000, effective January 1, 2024, and \$210,000 prior to January 1, 2024 in excess of \$1,380,000 and \$1,170,000, respectively, not to exceed an additional five annual installments.

The amount to be distributed was based upon the immediately preceding valuation date. Distributions were made in cash or, if a participant elected, in the form of Company common shares plus cash for any fractional share. Distributions of participants' accounts holding Company stock previously acquired with the proceeds of an exempt loan would be delayed until the close of the Plan year in which such exempt loan was repaid in full. Redemption of all common stock was required by the Plan Sponsor.

75% of the participant's account balance was distributed in July 2024 and the remaining 25% of the participant's account balance was distributed in June 2025. Approximately \$1,957,000 of all Plan distributions were a rollover contribution to the Master Magnetics, Inc. 401(k) Plan.

### ***Voting Rights***

Each participant was 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 was not permitted to vote any allocated share for which a participant has not given instructions. The Trustee was required, however, to vote any unallocated shares on behalf of the collective best interest of Plan participants and beneficiaries.

### ***Diversification***

Diversification was offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who were at least age 55 with at least 10 years of participation in the Plan could elect to diversify a portion of their account. Diversification was offered to each eligible participant over a six-year period. In each of the first five years, a participant could 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 changed to 50%. Terminated participants who elected to diversify received either cash or share distributions, at the Plan Administrator's discretion. In the case of participants that were employed by the Company, the Plan Administrator could transfer cash to the participants' Company 401(k) plan accounts.

### ***Forfeitures***

Forfeitures resulted from termination of employment under circumstances which do not entitle the participant to be fully vested in the participant's accounts and occur on the earlier of the date benefits are paid or the occurrence of five consecutive breaks in service. The nonvested portion of participant account balances were forfeited upon termination of employment. Participants who were 0% vested at termination would be deemed to have been paid and would forfeit immediately. Forfeited nonvested account balances of terminated participants were reallocated to accounts of remaining participants. Forfeitures were allocated in the same manner as Employer contributions.

### ***Reinstatement***

If a participant became a former participant due to severance from employment with the employer and was reemployed before incurring five consecutive one-year breaks-in-service, the participant could immediately re-enter the Plan and any forfeited amount would be automatically credited (without interest) to the participant's account. If a participant became a former participant due to severance from employment with the employer and was reemployed after incurring five consecutive one-year breaks-in-service, no forfeited amount would be restored to the participant's account.

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024 (In Liquidation)**

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***Administrative Expenses***

The Plan paid for certain expenses incurred by the trustee that were directly related to the administration, execution and interpretation of the Plan.

***Plan Termination***

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or the participant's beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the Committee shall direct the trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed stock held as collateral to the extent it determines such sale to be necessary in order to repay the loan. As noted above, the Plan terminated effective April 1, 2024. 75% of the value of the account balances were distributed in July 2024 and remaining account balance value was distributed in June 2025, after IRS approval of the Plan termination was received.

**Note 2. Summary of Significant Accounting Policies**

***Basis of Accounting***

The accompanying financial statements were prepared on the accrual basis of accounting and changed to liquidation basis of accounting with the Plan termination effective April 1, 2024. The Plan amendment to terminate the Plan was signed on March 29, 2024 when it was known termination was imminent.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. The valuation of Master Magnetics, Inc. common stock held by the Plan was particularly subject to change.

***Investment Valuation and Income Recognition***

Prior to April 1, 2024, the common shares of the Company were valued at fair value as determined by the ESOP Trustee. The Trustee utilized an annual independent appraisal as the basis for their determination of fair value. Effective April 1, 2024, the fair value of the common shares was determined by the acquisition price by a third party of Master Magnetics, Inc.

Other investments are recorded at cost, which approximates fair value.

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

***Payment of Benefits***

Benefit payments to participants are recorded upon distribution.

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024 (In Liquidation)**

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***Allocations***

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

***Plan Tax Status***

The Plan obtained its latest determination letter on January 16, 2020 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving its determination letter. However, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, the Plan Administrator believes that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

The Plan received approval from the Internal Revenue Service on January 24, 2025, approving the Plan termination.

**Note 3. Administration of Plan Assets**

The trustee of the Plan holds the Plan’s assets, which consist of Company common stock and noninterest-bearing cash.

Company contributions are held and managed by the trustee, which invests cash received, interest and dividend income and makes distributions to participants. The trustee also administered the payment of interest and principal on the loan, which was reimbursed to the trustee through contributions as determined by the Company.

**Note 4. Dividends**

The Company paid a dividend to the ESOP of \$1,818 per share or \$999,999 during August 2023 declared as of June 30, 2023. A portion of the dividend on allocated shares, \$346,336 was applied to debt service during August 2023. This is reported as a transfer from the allocated accounts to the unallocated accounts on the Statement of Changes in Net Assets. As required by the Plan Document, the current appraised value of the shares returned to participant accounts in exchange for the use of such dividends was at least equal to the current value of such dividends.

To the extent dividends were not used by the Plan for debt service, participants were given the right to take a distribution of such dividends in cash or leave the funds in the Plan to be invested in Company stock, as provided by the Plan.

Certain participants received their share of such dividends in cash based on allocated shares as of June 30, 2022. This amounted to \$653,660 of dividends which were paid directly by the Company to the participant during August 2023. The dividends and distributions reported on the Plan’s financial statements are net of these amounts.

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024 (In Liquidation)**

**Note 5. Investments**

The Plan's investment, at June 30, 2024, is presented in the following table:

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Company common stock:			
Number of shares	<u>138</u>	<u>-</u>	<u>138</u>
Cost	<u>\$ 790,103</u>	<u>\$ -</u>	<u>\$ 790,103</u>
Estimated fair value	<u>\$ 1,750,000</u>	<u>\$ -</u>	<u>\$ 1,750,000</u>

**Note 6. Disclosures About Fair Value of Assets**

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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

**Recurring Measurements**

The following tables present the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2024:

	<b>2024</b>			
	<b>Fair Value Measurements Using</b>			
<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>	
Master Magnetics, Inc. common stock	<u>\$ 1,750,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,750,000</u>

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
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Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statement of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended Jun 30, 2025. The Plan had no liabilities measured at fair value on a recurring basis. In addition, the Plan had no assets or liabilities measured at fair value on a nonrecurring basis. For assets classified within Level 3 of the fair value hierarchy, the process used to develop the reported fair value is described below.

**Investments**

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. There are no Level 1 securities held by the Plan. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. There are no Level 2 securities held by the Plan. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy and include Master Magnetics, Inc. common stock.

Fair value determinations for Level 3 measurements of securities are the responsibility of the Plan trustee. The Plan trustee contracts with an independent valuation specialist to generate fair value estimates on an annual basis. The Plan trustee challenges the reasonableness of the assumptions used and reviews the methodology to ensure the estimated fair value complies with accounting standards generally accepted in the United States.

Effective April 1, 2024, the share price of \$12,727/share was determined based on the purchase price of Master Magnetics, Inc. by a third-party. This share price was used to repurchase 75% of the shares for distribution in July 2024. Remaining 25% of shares were repurchased at \$6,403/share after all liabilities of the Plan Sponsor were settled.

Prior to April 1, 2024, the fair value of the common stock was determined by annual independent appraisals made by Weiss Valuation Corp. and approved by Trustee and Plan management. The Plan's Trustee was responsible for engaging the valuation specialist including evaluation of the specialist for appropriate credentials. In addition, the Trustee was responsible for reviewing the overall assumptions made in the valuation report for reasonableness, and finally approving the valuation report.

**Level 3 Reconciliation**

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying statements of net assets available for benefits using significant unobservable (Level 3) inputs:

	<b>Common Stock</b>
<b>Balance, July 1, 2023</b>	\$ 4,474,998
Total unrealized gain	2,524,970
Sales	(5,249,968)
	<hr/>
<b>Balance, June 30, 2024</b>	\$ 1,750,000
Total unrealized loss	(869,621)
Sales	(880,379)
	<hr/>
<b>Balance, June 30, 2025</b>	\$ -
	<hr/> <hr/>

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024 (In Liquidation)**

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For the year ended June 30, 2025, realized and unrealized gains and losses included in net increase in net assets available for benefits for the period from July 1, 2024 through June 30, 2025, are reported in net appreciation in fair value of investments in the statement of changes in net assets available for benefits.

**Note 7. Note Payable**

On September 29, 2017, the Plan entered into a \$2,430,498 term loan agreement with the Company. The note bore interest at 7% and was scheduled to mature on June 30, 2032. The note was paid in fully during April 2024. The note required annual principal payments of \$162,033 plus interest. The proceeds of the loan were used to purchase the Company's common stock. Unallocated shares were collateral for the loan. After the initial purchase of 550 shares, shares were released from collateral and allocated to participants as payments of principal and interest were made. The number of shares released in any year was the number of shares held as collateral, times the ratio of the current year payments divided by the total of the year's payments, plus all future years' principal and interest payments. Principal payments in the amount of \$899,205 and interest payments in the amount of \$30,067 were made during the year ended June 30, 2024. These payments included a portion of the June 30, 2023 declared dividends (\$346,339) used to make debt payments.

**Note 8. Related-Party and Party-in-Interest Transactions**

Party-in-interest transactions included those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such an employer or employee association, or relatives of such persons.

The Plan invests in Company common stock and has indebtedness guaranteed by the Company. The Plan has other service providers. Such providers are parties in interest under ERISA. Administrative fees paid to Principal totaled \$42,417 for the year ended June 30, 2024. Legal and professional fees paid by the Plan totaled \$41,534 and \$23,430 for the years ended June 30, 2025 and 2024.

The Company provides certain administrative services at no cost to the Plan.

**Note 9. Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of net assets available for benefits per the financial statements at June 30, 2024, to Form 5500:

Net assets available for benefits per the financial statements	\$ 6,370,497
Fees paid reducing cash balance	<u>42,417</u>
Net assets available for benefits per Form 5500	<u>\$ 6,412,914</u>

**Master Magnetics, Inc.**  
**Amended and Restated Employee Stock Ownership Plan**  
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The cash account balance, of \$4,664,790, on the Form 5500 was when the account was interest-bearing, however, as of June 30, 2024, the cash account moved to a different bank account which is noninterest-bearing as reported on the financial statements.

The following is a reconciliation of benefits paid to participants per the financial statements to benefits paid to participants per the Form 5500 for the years ended June 30, 2024

Benefits paid to participants per the financial statements	\$ 653,660
Benefit claims payable, beginning of year	<u>(653,660)</u>
Benefits paid to participants per the Form 5500	<u><u>\$ -</u></u>

The following is a reconciliation of administrative expenses per the financial statements to benefits paid to participants per the Form 5500 for the year ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Administrative expenses per the financial statements	\$ 41,534	\$ 65,847
Fees paid in June 2024	<u>42,417</u>	<u>(42,417)</u>
Administrative expenses per the Form 5500	<u><u>\$ 83,951</u></u>	<u><u>\$ 23,430</u></u>

**Note 10. Subsequent Events**

Subsequent events have been evaluated through January 26, 2026, which is the date the financial statements were available to be issued.

***Supplemental Schedule***

**Master Magnetics, Inc.  
 Amended and Restated Employee Stock Ownership Plan  
 EIN 84-0715559 PN 002  
 Schedule H, Line 4j - Schedule of Reportable Transactions  
 Year Ended June 30 2025 (In Liquidation)**

(a) Identity of Party Involved	(b) Description of Asset Including Interest Rate and Maturity for Loans	(c) Purchase Price	(d) Selling Price	(e) Cost of Asset	(f) Current Value of Asset on Transaction Date	(g) Net Gain or (Loss)
Issuer	Master Magnetics, Inc. common stock	\$ -	\$ 880,379	\$ 790,103	\$ 880,379	\$ 90,276