

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
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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.) ☒ a single-employer plan ☐ a DFE (specify) _____
B	This return/report is: ☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☐ Form 5558 ☐ automatic extension ☒ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan KOAM ENGINEERING SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b	Three-digit plan number (PN) ▶ 004
1c	Effective date of plan 07/01/2007
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) KOAM ENGINEERING SYSTEMS, INC. 7807 CONVOY CT SUITE 200 SAN DIEGO, CA 92111
2b	Employer Identification Number (EIN) 33-0771394
2c	Plan Sponsor's telephone number 858-292-0922
2d	Business code (see instructions) 541990

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	04/16/2026	JOHN S. YI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☐ Same as Plan Sponsor KOAM ENGINEERING SYSTEMS, INC. 7807 CONVOY CT SUITE 200 SAN DIEGO, CA 92111		3b Administrator's EIN 33-0771394
		3c Administrator's telephone number 858-292-0922
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN
		4d PN
5 Total number of participants at the beginning of the plan year		5 266
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6a(1) 108 6a(2) 102 6b 54 6c 82 6d 238 6e 1 6f 239 6g(1) 261 6g(2) 237 6h 7
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7

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

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

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

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2024 This Form is Open to Public Inspection
	For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025	
	A Name of plan KOAM ENGINEERING SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) 004
C Plan sponsor's name as shown on line 2a of Form 5500 KOAM ENGINEERING SYSTEMS, INC.	D Employer Identification Number (EIN) 33-0771394	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	150000	306962
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	179295	5195
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	3226757	2813244
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	3556052	3125401
Liabilities			
g Benefit claims payable	1g	0	6962
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	6962
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	3556052	3118439

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	306962	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		306962
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	6351	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		6351
(2) Dividends:			
(A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:	2b(5)(A)		
(B) Other	2b(5)(B)	-413513	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-100200

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	337353	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		337353
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)	0	
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)	60	
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		60
j Total expenses. Add all expense amounts in column (b) and enter total	2j		337413

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-437613
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☐ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☒ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: HUTCHINSON & BLOODGOOD, LLP

(2) EIN: 95-0858589

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒	
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.)		☒	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		☒	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		☒	
e Was this plan covered by a fidelity bond?	☒		1600000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		☒	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation		Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.		OMB No. 1210-0110 2024 This Form is Open to Public Inspection.	
For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025					
A Name of plan KOAM ENGINEERING SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN				B Three-digit plan number (PN) ▶ 004	
C Plan sponsor's name as shown on line 2a of Form 5500 KOAM ENGINEERING SYSTEMS, INC.				D Employer Identification Number (EIN) 33-0771394	
Part I Distributions					
All references to distributions relate only to payments of benefits during the plan year.					
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....				1 0	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 58-1428634					
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.					
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year				3	
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)					
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.					
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.					
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)				6a	
b Enter the amount contributed by the employer to the plan for this plan year				6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....				6c	
If you completed line 6c, skip lines 8 and 9.					
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A					
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A					
Part III Amendments					
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No					
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.					
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☒ No					
11 a Does the ESOP hold any preferred stock? ☐ Yes ☒ No					
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☒ No					
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☒ Yes ☐ No					
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.				Schedule R (Form 5500) 2024 v. 240311	

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

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

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year.....

15b

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

a Enter the number of employers who withdrew during the preceding plan year.....

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

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

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

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

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

a Enter the percentage of plan assets held as:

Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____%

High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:

☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more

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

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

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation.....

Part VII IRS Compliance Questions

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

- 21b** If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).

☐ Design-based safe harbor method

☐ "Prior year" ADP test

☐ "Current year" ADP test

☒ N/A

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

Koam Engineering Systems, Inc.

Employee Stock Ownership Plan

Financial Statements

Years ended June 30, 2025 and 2024

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of
Koam Engineering Systems, Inc. Employee Stock Ownership Plan
San Diego, California

Opinion

We have audited the financial statements of Koam Engineering Systems, Inc. Employee Stock Ownership Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of June 30, 2025 and 2024, 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 the 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) as of June 30, 2025 is presented for the 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

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

A handwritten signature in black ink that reads "Hutchinson and Bloodgood LLP". The signature is written in a cursive, flowing style.

San Diego, California
April 14, 2026

KOAM ENGINEERING SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Net Assets Available for Benefits
June 30, 2025 and 2024

	2025	2024
ASSETS		
Investments:		
Cash, interest bearing	\$ 5,195	\$ 179,295
Investment in company stock, at fair value	<u>2,813,244</u>	<u>3,226,757</u>
Total investments	<u>2,818,439</u>	<u>3,406,052</u>
Receivables:		
Employer contributions receivable	<u>306,962</u>	<u>150,000</u>
Total receivables	<u>306,962</u>	<u>150,000</u>
Total assets	<u>3,125,401</u>	<u>3,556,052</u>
LIABILITIES		
Total liabilities	<u>--</u>	<u>--</u>
Net assets available for benefits	<u><u>\$ 3,125,401</u></u>	<u><u>\$ 3,556,052</u></u>

KOAM ENGINEERING SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Changes in Net Assets Available for Benefits
Years ended June 30, 2025 and 2024

	2025	2024
(SUBTRACTIONS) ADDITIONS FROM NET ASSETS ATTRIBUTED TO:		
Investment (loss) income:		
Net (depreciation) appreciation in fair value of investments	\$ (413,513)	\$ 291,493
Interest income	<u>6,351</u>	<u>11,937</u>
Net investment (loss) income	(407,162)	303,430
Contributions:		
Employer contributions	<u>306,962</u>	<u>150,000</u>
Total (subtractions) additions	<u>(100,200)</u>	<u>453,430</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid	325,110	313,330
Administrative fees	<u>5,341</u>	<u>4,638</u>
Total deductions	<u>330,451</u>	<u>317,968</u>
Net (decrease) increase	(430,651)	135,462
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>3,556,052</u>	<u>3,420,590</u>
End of year	<u><u>\$ 3,125,401</u></u>	<u><u>\$ 3,556,052</u></u>

KOAM ENGINEERING SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
June 30, 2025 and 2024

NOTE 1. DESCRIPTION OF THE PLAN

The following description of the Koam Engineering Systems, Inc. Employee Stock Ownership Plan (the Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

General: Koam Engineering Systems, Inc. (the Company), established the Plan effective July 1, 2007. The Plan was restated in December 2023, effective July 1, 2020. The Plan is designed to comply with Section 4975(e)(7) and regulations thereunder of the Internal Revenue Code of 1986, as amended (IRC) and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The costs of administering the Plan are borne primarily by the Company.

Eligibility: All active employees of the Company, except non-resident aliens, leased employees, and employees subject to a collective bargaining agreement, who are at least 21 years of age and have completed 1,000 hours of service during a twelve-month period, are eligible to participate in the Plan on the next entry date. Employees enter the Plan on July 1st or January 1st following their fulfillment of eligibility requirements. Other than those who retired, became disabled or died during the plan year, participants must be actively employed on the last working day of a plan year and have completed 1,000 hours of service during such plan year in order to be eligible for an allocation of the Company contributions for such year.

Participant Accounts: The Plan is a defined contribution plan under which a separate individual account is established for each participant. Company contributions and plan forfeitures are allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation for the plan year. Stock dividends and cash dividends on company stock are credited to the Participant's account when paid to the Plan. As of each valuation date (stock appraisal date), before the current valuation period allocation of Company contributions and forfeitures, any earnings or losses, attributable to balances in other investment accounts, will be allocated in the same proportion that each participant's and former participant's beginning of the year investment balance bears to the total of all participants' and former participants' beginning of the year balances in such investment.

Forfeitures: The non-vested portion of a terminated participant's account balance remains in the Plan and is called a forfeiture. Forfeitures may be used by the Plan for several purposes such as the payment of plan expenses. Any forfeitures not used by the Plan are allocated to participants eligible to share in the discretionary contribution in the same proportion that their compensation bears to total compensation of all such participants. Stock forfeitures for the year ended June 30, 2025 was 13,006.66, and was allocated to remaining participants at June 30, 2025. Stock forfeitures for the year ended June 30, 2024 was 2,873.42, and was allocated to remaining participants at June 30, 2024. Cash forfeitures for 2025 and 2024 were \$5,217 and \$12,478 and were allocated to remaining participants at June 30, 2025 and 2024, respectively.

KOAM ENGINEERING SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
June 30, 2025 and 2024

NOTE 1. DESCRIPTION OF THE PLAN (CONTINUED)

Payments of Benefits: Distributions from a participant's account are generally made upon retirement, termination of employment, death or disability in accordance with plan provisions. If a participant's vested account balance derived from the Company's contributions exceeds \$5,000, the participant must consent to any distribution. Absent an election, a participant's vested account balance exceeding \$5,000 will be distributed in five equal installments commencing after the fifth year following termination of employment. The non-vested portion will be forfeited. Distributions on account of death, disability, or retirement are made in a lump sum in the plan year following the event. The amount to be distributed is based upon the account valuation date immediately preceding the distribution. Distributions are made in cash.

Voting Rights: Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account with respect to any corporate matter which involves the voting of such shares with respect to the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all assets of a trade or business, or such similar transaction. On all other matters and if a participant does not timely exercise their right to vote company stock, the Trustee will vote such company stock.

Termination: The Company reserves the right to terminate the Plan at any time. In the event of the dissolution, merger, consolidation or reorganization of the Company, the Plan shall terminate and the Trust shall be liquidated unless the Plan is continued by a successor to the Employer.

Put Option: Under Federal income tax regulations, the company stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash. The put price is representative of the fair market value of the stock. The Company can pay for the purchase over a period of five years with interest. During 2025 and 2024, the Company did not repurchase or retire any shares from terminated participants.

Diversification: Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in company stock into investments which are more diversified. Participants who have completed 10 years of service as a participant and have attained age 55 will have the right to request a distribution in cash of a portion of their account attributable to company stock with certain restrictions. The Plan Administrator will advise a participant of any such rights.

Administrative Expenses: Administrative expenses may be paid either by the Plan or by the Company. The Company has historically paid the operating expenses for the Plan.

KOAM ENGINEERING SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
June 30, 2025 and 2024

NOTE 1. DESCRIPTION OF THE PLAN (CONTINUED)

Vesting: Upon a Participant's retirement, permanent disability, or death, all amounts credited to the participant's account become fully vested. If a participant's employment with the Company ends for any reason other than retirement, permanent disability or death, he or she will vest in the balances in his or her other accounts based on total years of service with the Company. Years of service for vesting purposes means all plan years during which an employee has completed 1,000 or more hours of service including plan years in which the participant was not eligible to participate in the Plan. Participant vesting is as follows:

Years of Service	Vested Percentage
Less than 2	20%
2	40%
3	60%
4	80%
5 or more Years	100%

During the plan year ending June 30, 2017, the Company closed one of its divisions. As a result more than 20% of plan participants were laid off. The Plan was considered partially terminated. Under partial termination, the law requires that all "affected employees" be fully vested in their account balance as of the date of partial termination.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The financial statements of the Plan are prepared using the accrual method of accounting.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements and reported amounts during the reporting period. Actual results could differ from the estimated amounts.

Risks and Uncertainties: The plan investments consist primarily of the Company's common stock, which is exposed to various risks such as interest rate, market, and credit risks, as well as valuation assumptions based on earnings, cash flows and/or other such techniques. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of the common stock will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Investment Valuation and Income Recognition: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value.

KOAM ENGINEERING SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
June 30, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation and Income Recognition: Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in the fair value of investments consists of net realized gains or losses and the net unrealized appreciation or depreciation in the fair value of investments.

NOTE 3. INVESTMENTS

The Plan's investment in Sponsor Company common shares at June 30 is as follows:

	<u>2025</u>	<u>2024</u>
Number of shares	6,778,900	6,778,900
Cost	\$ 1,785,000	\$ 1,785,000
Fair value	\$ 2,813,244	\$ 3,226,757

NOTE 4. FAIR VALUE MEASUREMENTS

The fair value measurement topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1. Inputs to valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2. Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

KOAM ENGINEERING SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
June 30, 2025 and 2024

NOTE 4. FAIR VALUE MEASUREMENT (CONTINUED)

- Level 3. Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used at June 30, 2025 and 2024.

Investment in company stock is valued at fair value as determined by an independent appraiser by the selection and application of methodologies contained within three general approaches to value: cost, market and income. Under the three approaches, the appraiser considered several methodologies, adjusted net assets (cost), mergers and acquisition (market) and discounted cash flow (income) methods. Adjusted net asset method treats the business as a collection of assets, and in effect, values the business asset-by-asset, net of liabilities. The mergers and acquisition method determines the value based on evidence from the market of the amount at which similar companies have sold. The discounted cash flow method treats the business as though it were an investment, and measures the value of the income stream the investor would receive. It utilizes the concept that the worth of a business is best represented by the present value of the projected cash flow streams or net income it can generate in the future. The projected cash flows are then adjusted to reflect the time value of money as well as the associated business and economic risks of the company. The appraiser determined that the Discounted Cash Flow method was the most appropriate method to use when determining the fair value of the company stock.

The valuation process involves plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the 2019 - 2025 reviewed financial statements, tax returns, interim financial and written information, including correspondence and the Company outlook. Plan management also provided a projection of the Company's expected income and expenses for the fiscal years ending June 30, 2026 through 2031. The projections are based on current contractual commitments and expectations for the industry. The appraiser prepares a preliminary report which plan management reviews in detail, discusses, and approves. The results of this process are documented in the minutes of the plan fiduciary.

KOAM ENGINEERING SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
June 30, 2025 and 2024

NOTE 4. FAIR VALUE MEASUREMENT (CONTINUED)

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2025 and 2024:

Assets at fair value as of June 30, 2025				
	Level 1	Level 2	Level 3	Total
Company stock	\$ --	\$ --	\$ 2,813,244	\$ 2,813,244

Assets at fair value as of June 30, 2024				
	Level 1	Level 2	Level 3	Total
Company stock	\$ --	\$ --	\$ 3,226,757	\$ 3,226,757

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the years ended June 30, 2025 and 2024:

	2025	2024
Balance, beginning of year	\$ 3,226,757	\$ 2,935,264
Unrealized (loss) income relating to shares still held at the reporting date	(413,513)	291,493
Balance, end of year	\$ 2,813,244	\$ 3,226,757

NOTE 5. RELATED PARTY AND PARTIES IN INTEREST TRANSACTIONS

At June 30, 2025 and 2024, 6,778,900 shares of company stock were held by the Plan. The cost of this stock at June 30, 2025 and 2024 was \$1,785,000.

The Plan has a number of service providers. Such providers are parties in interest under ERISA. Fees paid during the year for administrative services rendered by parties in interest were based on customary and reasonable rates for such services and are paid by the employer.

No purchases were made during the year ended June 30, 2025 or 2024.

KOAM ENGINEERING SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
June 30, 2025 and 2024

NOTE 6. ADMINISTRATION OF PLAN ASSETS

The Plan's assets, which consist principally of Koam Engineering Systems, Inc. company stock are held by the Trustee of the Plan. The Plan's trustee is the CEO of the Company.

Company contributions are held and managed by the Trustee, who invests cash received, interest, and dividend income and makes distributions to participants.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

NOTE 7. FEDERAL INCOME TAX STATUS

The Plan obtained its latest determination letter on January 30, 2020, in which the Internal Revenue Service stated that the Plan and related trust, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, the Plan Administrator believes that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the taxing authority. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of June 30, 2025, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audit by taxing jurisdictions, however, there are currently no audits for any tax periods in progress.

NOTE 8. EMPLOYER CONTRIBUTIONS

Each year, the Company determines the amount to be contributed to the Plan. This contribution is discretionary. The Company contributions can be paid in cash or shares of company stock. The contribution is allocated to Participants who completed at least 1,000 hours of service during the plan year and who were either employed on the last working day of a plan year or who retired or became disabled during the year. The Company made contributions of \$306,962 and \$150,000 for the years ended June 30, 2025 and 2024, respectively.

NOTE 9. PARTICIPANT WITHDRAWALS AND DISTRIBUTIONS

There was \$6,962 and \$0, in unpaid distributions included in accounts of participants who have elected to withdraw from participation in the Plan, but had not yet been paid at June 30, 2025 and 2024, respectively. In addition, there were several participants who elected to be paid on 5-year installment plans. At June 30, 2025 and 2024, the remaining undistributed participant vested account balances totaled \$122,870 and \$339,930, respectively.

KOAM ENGINEERING SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
June 30, 2025 and 2024

NOTE 10. RECONCILIATION TO FORM 5500

The following is a reconciliation of net assets available for benefits reported in the financial statements at June 30, 2025 and 2024 to the amounts in Form 5500:

	<u>2025</u>	<u>2024</u>
Net assets available for benefits per the financial statements	\$ 3,125,401	\$ 3,556,052
Benefit claims payable	<u>(6,962)</u>	<u>--</u>
Net assets available for benefits per the Form 5500	<u>\$ 3,118,439</u>	<u>\$ 3,556,052</u>

The following is a reconciliation of changes in net assets available for benefits reported in the financial statements for the years ended June 30, 2025 and 2024 to the amounts in Form 5500:

	<u>2025</u>	<u>2024</u>
Net (decrease) increase per the financial statements	\$ (430,651)	\$ 135,462
Benefits paid	<u>(6,962)</u>	<u>--</u>
Net increase (decrease) per the Form 5500	<u>\$ (437,613)</u>	<u>\$ 135,462</u>

NOTE 11. SUBSEQUENT EVENTS

The Plan Administrator has evaluated the Plan's June 30, 2025 and 2024 financial statements for subsequent events through April 14, 2026, the date the financial statements were available to be issued. The Plan Administrator is not aware of any subsequent events that would require additional recognition or disclosure in the financial statements.

SUPPLEMENTAL SCHEDULE

KOAM ENGINEERING SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
E.I.N. 33-0771394, Plan No. 004
June 30, 2025

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
*	KOAM Engineering Systems, Inc.	6,778,900.4927 shares of Common Stock	\$ 1,785,000	\$ 2,813,244
	Umpqua Bank	Interest bearing cash	5,195	5,195
Total			\$ 1,790,195	\$ 2,818,439

*Represents a party-in-interest.

**KOAM ENGINEERING SYSTEMS, INC. EMPLOYEE
STOCK OWNERSHIP PLAN**

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
E.I.N. 33-0771394, Plan No. 004
June 30, 2025

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
*	KOAM Engineering Systems, Inc.	6,778,900.4927 shares of Common Stock	\$ 1,785,000	\$ 2,813,244
	Umpqua Bank	Interest bearing cash	5,195	5,195
Total			\$ 1,790,195	\$ 2,818,439

*Represents a party-in-interest.