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

2025

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

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
- [ ] 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
ATLANTA FLOORING DESIGN CENTERS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2023

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)
ATLANTA FLOORING DESIGN CENTER

3665 SWIFTWATER PARK DR BLDG 2
SUWANEE, GA 30024-7178

2b Employer Identification Number (EIN) 58-1621134

2c Plan Sponsor's telephone number 770-476-8306

2d Business code (see instructions) 238300

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/06/2026	PATRICIA TOLIVER TAYLOR
	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 [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: **a** Sponsor's name **c** Plan Name	**4b** EIN **4d** PN	

5	Total number of participants at the beginning of the plan year	**5**	372
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	**6a(1)**	333
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	323
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	49
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	372
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	1
f	Total. Add lines **6d** and **6e**.	**6f**	373
g(1)	Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)	**6g(1)**	352
g(2)	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g(2)**	367
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.	**6h**	27
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 Characteristic Codes in the instructions:

2O 2J 2K 2H

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

9a Plan funding arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] 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)** [X] Trust
- **(4)** [ ] 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)** [X] **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)** [X] **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 2025 Form M-1 annual report. If the plan was not required to file the 2025 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

2025

This Form is Open to Public Inspection

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan
ATLANTA FLOORING DESIGN CENTERS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
ATLANTA FLOORING DESIGN CENTER

D Employer Identification Number (EIN)
58-1621134

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	0
(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)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	24680000	25530000
(2) Employer real property	1d(2)		
1e Buildings and other property used in plan operation	1e		
1f Total assets (add all amounts in lines 1a through 1e)	1f	24680000	25530000
Liabilities			
1g Benefit claims payable	1g		
1h Operating payables	1h		
1i Acquisition indebtedness	1i		
1j Other liabilities	1j	39686947	38969744
1k Total liabilities (add all amounts in lines 1g through1j)	1k	39686947	38969744
Net Assets			
1l Net assets (subtract line 1k from line 1f)	1l	-15006947	-13439744

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)	2775562	
(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)		2775562
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(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)		0
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	849999	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		849999

		(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		3625561
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	60755	
(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)		60755
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		1996253
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)	1350	
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines **2i(1)** through **(11)**	2i(12)		1350
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2058358
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1567203
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) [X] 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)** [X] 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: MCNAIR,MCLEMORE,MIDDLEBROOK CO,LLC **(2)** EIN: 58-1094351

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.)	**4a**		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e Was this plan covered by a fidelity bond?	**4e**	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	**4j**		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	**4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? [ ] Yes [X] 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

2025

This Form is Open to Public Inspection.

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan
ATLANTA FLOORING DESIGN CENTERS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
ATLANTA FLOORING DESIGN CENTER

D Employer Identification Number (EIN)
58-1621134

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): _____ _____

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

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

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ Yes ☐ No ☐ N/A

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ 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_____.

ATLANTA FLOORING DESIGN CENTERS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
SUWANEE, GEORGIA

FINANCIAL STATEMENTS AS OF
DECEMBER 31, 2025 AND 2024
INDEPENDENT AUDITOR'S REPORT

ATLANTA FLOORING DESIGN CENTERS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

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NOTE: All other schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

McNAIR McLEMORE MIDDLEBROOKS & Co
CERTIFIED PUBLIC ACCOUNTANTS

389 Mulberry Street | Macon, Georgia 31201
Post Office Box One | Macon, Georgia 31202
478-746-6277 | mmmcpa.com

September 25, 2026

INDEPENDENT AUDITOR'S REPORT

ESOP Committee
Atlanta Flooring Design Centers, Inc.
Employee Stock Ownership Plan

Opinion

We have audited the financial statements of the **Atlanta Flooring Design Centers, Inc. Employee Stock Ownership Plan**, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits (deficit) as of December 31, 2025 and 2024, and the related statement of changes in net assets available for benefits (deficit) for the year ended December 31, 2025, 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 (deficit) of the Atlanta Flooring Design Centers, Inc. Employee Stock Ownership Plan as of December 31, 2025 and 2024, and the changes in net assets available for benefits (deficit) for the year ended December 31, 2025 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 Atlanta Flooring Design Centers, Inc. Employee Stock Ownership Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Atlanta Flooring Design Centers, Inc. Employee Stock Ownership Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the Atlanta Flooring Design Centers, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

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

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 December 31, 2025 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.

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.

McNair, McLemore, Middlebrooks & Co., LLC

McNAIR, McLEMORE, MIDDLEBROOKS & CO., LLC

ATLANTA FLOORING DESIGN CENTERS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS (DEFICIT)
DECEMBER 31, 2025

	Allocated	Unallocated	Total
Assets			
Investments at Fair Value			
Atlanta Flooring Design Centers, Inc. Common Stock	$ 3,545,065	$ 21,984,935	$ 25,530,000
Total Assets	3,545,065	21,984,935	25,530,000
Liabilities			
Note Payable to Atlanta Flooring Design Centers, Inc.	-	38,969,744	38,969,744
Net Assets Available for Benefits (Deficit)	$ 3,545,065	$ (16,984,809)	$ (13,439,744)

See accompanying notes which are an integral part of these financial statements.

ATLANTA FLOORING DESIGN CENTERS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS (DEFICIT)
DECEMBER 31, 2024

	Allocated	Unallocated	Total
Assets			
Investments at Fair Value			
Atlanta Flooring Design Centers, Inc. Common Stock	$ 2,613,245	$ 22,066,755	$ 24,680,000
Total Assets	2,613,245	22,066,755	24,680,000
Liabilities			
Note Payable to Atlanta Flooring Design Centers, Inc.	-	39,686,947	39,686,947
Net Assets Available for Benefits (Deficit)	$ 2,613,245	$ (17,620,192)	$ (15,006,947)

See accompanying notes which are an integral part of these financial statements.

ATLANTA FLOORING DESIGN CENTERS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Allocated	Unallocated	Total
Changes in Net Assets Attributed to			
Investment Income			
Net Appreciation in Fair Value of Investments	$ 90,000	$ 760,000	$ 850,000
Contributions			
Employer	53,112	2,713,456	2,766,568
Total Additions	143,112	3,473,456	3,616,568
Deductions			
Interest Expense	-	(1,996,253)	(1,996,253)
Benefits Paid to Participants	(52,212)	-	(52,212)
Administrative Expenses	(900)	-	(900)
Total Deductions	(53,112)	(1,996,253)	(2,049,365)
Net Increase (Decrease)	90,000	1,477,203	1,567,203
Net Assets Available for Benefits (Deficit)			
Beginning of Year	2,613,245	(17,620,192)	(15,006,947)
Transfer of 32,973 shares of Company common stock at fair value	841,820	(841,820)	-
End of Year	$ 3,545,065	$ (16,984,809)	$ (13,439,744)

See accompanying notes which are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

(1) Description of Plan

The following description of the Atlanta Flooring Design Centers, Inc. Employee Stock Ownership Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a leveraged employee stock ownership plan (ESOP) for the exclusive benefit of eligible employees and their beneficiaries. The Company established the Plan and Trust as of January 1, 2023. The Plan is designed to comply with Section 4975(e)(7) of the Internal Revenue Code (the Code), as amended, and the regulations thereunder, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The primary purpose of the Plan is to enable participants to acquire stock ownership in the Company. In addition, the Plan is intended to enable participating employees to share in the growth and prosperity of the Company and to accumulate capital for their future economic security. Therefore, the Trust under the Plan is designed to invest primarily in Company stock. Employees of the Company who are not part of an excluded class become eligible to participate in the Plan at 19 years of age and completion of one year of service (1,000-hour rule). Participants enter the Plan on the first entry date, January 1 and July 1 of each year following completion of the eligibility requirements. The Company has appointed Apex Fiduciary Services, LLC as Trustee of the Plan. The Trustee holds all amounts the Company contributes to the trust fund and will make all distributions and benefit payments from the trust fund to participants and beneficiaries. The ESOP Committee is responsible for oversight of the Plan. The ESOP Committee determines the appropriateness of the Plan's investment offering and monitors the investment performance. The Company absorbs certain costs of the Plan. Under the Plan, the Trustee is allowed to borrow funds to purchase Company stock.

The Plan purchased shares of the Company's common stock using the proceeds of a borrowing from the Company and holds the common stock in a trust established under the Plan. The borrowing is to be repaid over a period of forty years by fully deductible Company contributions to the trust fund. As the Plan makes each payment of principal and interest, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the IRC. The borrowing is collateralized by the unallocated shares of common stock. As shares are released and allocated to participants, they are no longer held as collateral for the borrowing. The lender has no rights against shares once they are released from collateral.

Accordingly, the financial statements of the Plan as of December 31, 2025 and 2024, and for the year ended December 31, 2025, present separately the assets and liabilities and changes therein pertaining to:

1. The accounts of employees with vested rights in allocated common stock (Allocated); and

2. Common stock not yet allocated to employees (Unallocated).

(1) Description of Plan (Continued)

Contributions

Each year, the Company may, in its sole discretion, make contributions to the Plan. The Company may make such contributions as necessary to the Trust to repay any indebtedness incurred for the purpose of purchasing Company stock. Participant contributions are not permitted. The Company's contribution may be in cash or in shares of Company stock. On December 31, the valuation date, the ESOP Committee will allocate the contributions to the separate accounts maintained for the participants. Contributions are allocated to the accounts of participants who have been credited with a year of service and have not terminated prior to the last day of the Plan year. Additionally, contributions are allocated based on the participant's annual compensation for the Plan year compared to the annual compensation of all other participants. For the year ended December 31, 2025, the Company made a contribution of $2,766,568.

Trust Fund

The primary investment of the trust assets is Company stock. Contributions made by the Company will generally be used to repay current debts of the Trust, if any, and any excess may be used to purchase Company stock at fair market value. If the Trust has no current debts and no Company stock is available for purchase, then the Trustee may invest in other investments for the Trust.

Participant Accounts

Individual accounts are maintained for each participant. In addition to employer contributions, earnings are also credited to each account based on participant account balances, on each valuation date, as defined in the Plan.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the whole shares of Company stock allocated to their account and is notified by the Trustee prior to the time that such rights are to be exercised. In the absence of voting instructions by a participant, whole shares of Company stock held in a participant's account are voted by the Trustee in the manner directed by the ESOP Committee. Any shares of Company stock not allocated to participants' accounts will be held in suspense and shall be voted by the Trustee.

Vesting

Vesting in employer contributions is based on years of service, defined as Plan years in which the participant completes at least 1,000 hours of service. Participants are 10% vested after one year of service, 25% after two years, 45% after three years, 70% after four years, and 100% after five years. Participants also become fully vested on attaining normal retirement age (65), or on death or disability while employed by the Company.

Forfeited Accounts

Forfeitures are created when participants terminate employment and incur a forfeiture break in service before becoming fully vested in their accounts attributable to Company contributions under the Plan. Forfeited shares are reallocated as of the last day of the Plan year to the accounts of eligible participants in the same manner as Company contributions. For the year ended December 31, 2025, forfeitures totaled 1,738 shares of Company stock with a fair value of $44,388, all of which were reallocated to eligible participants.

(1) Description of Plan (Continued)

Put Option

Under federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market or is subject to trading limitations includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. Such put option shall be enforceable by the participant for a period of at least 60 days following the date of distribution of Company stock and, if the put option is not exercised within such 60-day period, for an additional period of at least 60 days in the following Plan year (as provided in applicable Treasury regulations). The Company may permit the Trustee to purchase any shares covered by the put option directly from a participant. The put price is representative of the current appraised value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash. There were no put option redemptions as of December 31, 2025.

Diversification

Diversification will be offered to participants close to retirement so that they may have the opportunity to move part of their investment in Company stock into investments which are more diversified. Each participant in the Plan may elect during the "Annual Election Period" to direct the Plan as to the investment of at least 25 percent of the participant's Company stock account to the extent such portion exceeds the amount to which a prior election under this subsection applies. In the case of the election year in which the qualified participant can make their last election, the preceding sentence shall be applied by substituting "50 percent" for "25 percent". The "Annual Election Period" begins the day after the end of each plan year in the qualified election period and ends 90 days after the date that the value of the Company stock subject to the diversification election is provided to the participant. Provided, however, if the value of a participant's Company stock account does not exceed $500, then such participant shall not be eligible to make such election under this section.

Payment of Benefits

Upon termination of service due to death, disability, retirement, or other reason, a participant may elect to receive a lump-sum payment equal to the value of the participant's vested interest in their account. Participants receiving a distribution on or following the attainment of normal retirement age may elect to receive periodic installments over a period of years not exceeding the normal life expectancy of the participant or, if applicable, the beneficiary.

Administrative Expenses

As provided in the Plan agreement, administrative expenses are paid either by the Plan or by the Company. The Plan paid recordkeeping fees totaling $900 for the year ended December 31, 2025.

(2) Summary of Significant Accounting Policies

The accounting policies of the Plan are maintained in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the *Accounting Standards Codification* (*ASC*) and related Accounting Standards Updates (ASUs). The following describes the more significant of those policies:

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of Plan assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Significant items in the financial statements subject to such estimates and assumptions include the determination of the fair value of the Plan's investments.

Investment Valuation and Income Recognition

The Plan’s investments are stated 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. The ESOP Committee determines the Plan’s valuation policies utilizing information provided by the investment advisors, the Trustee, and the recordkeeper. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Net appreciation (depreciation) includes the Plan’s realized and unrealized gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefits are recorded when paid.

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.

(2) Summary of Significant Accounting Policies (Continued)

Investments

The Plan's investments, as of December 31, are presented in the following table:

Atlanta Flooring Design Centers, Inc. Common Stock

2025	**Allocated**	**Unallocated**	**Total**
Number of Shares	**138,858**	**861,142**	**1,000,000**
Cost	**$ 6,438,819**	**$ 39,930,984**	**$ 46,369,803**
Estimated Fair Value	**$ 3,545,065**	**$ 21,984,935**	**$ 25,530,000**

2024			
Number of Shares	105,885	894,115	1,000,000
Cost	$ 4,909,867	$ 41,459,936	$ 46,369,803
Estimated Fair Value	$ 2,613,245	$ 22,066,755	$ 24,680,000

The following is a breakdown of the allocated and unallocated shares as of December 31:

	2025	2024
Atlanta Flooring Class A Common Stock		
Fair Value	**$ 25,530,000**	$ 24,680,000
Released Shares	**138,858**	105,885
Unreleased Shares	**861,142**	894,115
Total Shares	**1,000,000**	1,000,000

Reclassification

Certain amounts included in the accompanying financial statements for the year ended December 31, 2024, have been reclassified between allocated and unallocated to conform to the presentation for the year ended December 31, 2025. The reclassifications had no effect on total net assets available for benefits as of December 31, 2024, or on the total net increase (decrease) in net assets available for benefits for the year then ended.

(3) Fair Value Measurements

The framework for measuring fair value 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 the 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, and inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 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.

The following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used as of December 31, 2025 and 2024:

Atlanta Flooring Design Center, Inc. Company Stock - Valued at fair value as determined by an independent appraisal. The independent appraiser utilized the market approach and income approach in determining fair value, taking into consideration relevant factors such as the current financial condition of the Company, the economic outlook for the primary market area.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methodology is 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.

(3) Fair Value Measurements (Continued)

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

	2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Atlanta Flooring Design Centers, Inc. Common Stock	**$ -**	**$ -**	**$ 25,530,000**	**$ 25,530,000**
	$ -	**$ -**	**$ 25,530,000**	**$ 25,530,000**
	2024			
Atlanta Flooring Design Centers, Inc. Common Stock	$ -	$ -	$ 24,680,000	$ 24,680,000
	$ -	$ -	$ 24,680,000	$ 24,680,000

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2025:

Balance, Beginning of Year	$ 24,680,000
Purchases	53,112
Distributions	(53,112)
Net Appreciation (Depreciation) in Fair Value	850,000
Transfers into (out of) Level 3	-
Balance, End of Year	$ 25,530,000

The common stock held by the Plan is reported at fair value based upon an independent appraisal. The 2025 and 2024 appraisals were based on a combination of the market and income valuation approaches using methods the appraiser believes will provide the best estimate of value. The appraiser took into account historical and projected cash flow and net earnings, the Company's assets and liabilities, market comparables, and applicable discounts. The methods used to measure fair value may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Plan management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain assets could result in a different fair value measurement at the reporting date.

(4) Income Tax Status

The Internal Revenue Service (IRS) has determined and informed the Plan sponsor by a letter, dated February 27, 2025, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified, and the related trust is tax-exempt. As such, no provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires Plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2025, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

(5) Related Party and Party-in-Interest Transactions

A party-in-interest is defined under Department of Labor regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, and certain others. The Plan holds shares of Atlanta Flooring Design Centers, Inc., common stock. Certain administrative functions are performed by officers or employees of the Company. No such officer or employee received compensation from the Plan. The Company pays certain administrative fees on behalf of the Plan, including all legal and accounting fees.

(6) Concentrations of Market Risks and Other Exposures

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 other such techniques. Due to the level of risk associated with the investment in the common stock of the Company and to uncertainties inherent in estimates and assumptions, it is reasonably possible that changes in the value of the common stock will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits (deficit).

(7) Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. Should the Plan terminate in its entirety, participants will become 100 percent vested in their accounts.

(8) Note Payable

On December 31, 2023, the Plan purchased all 1,000,000 shares of common stock of the Company from existing owners for a total purchase price of $46,369,803. The stock purchase was financed with an ESOP term loan from the Company in the amount of $46,369,803 at an interest rate of 5.03 percent. The loan from the Company will be paid by principal and interest payments of $2,713,456 beginning on December 31, 2024, and ending on December 31, 2063. Repayment of the loan will be made from funds provided by future tax-deductible contributions by the Company to the Plan. Unallocated shares are collateral for the loan. Shares are released from collateral and allocated to participants when principal and interest payments are made. The number of shares released in any year is the number of shares held as collateral, multiplied by the ratio of the current year payments, divided by the total of this year's payments, plus all future years' principal and interest payments. The note payable to Atlanta Flooring Design Center, Inc. as of December 31, 2025 and 2024 was $38,969,744 and $39,686,947, respectively.

Maturity of the note payable is as follows:

Year	Total
2026	$ 753,278
2027	791,168
2028	830,964
2029	872,762
2030	916,662
Thereafter	34,804,910
	$ 38,969,744

(9) Decrease in Fair Value of Company Stock

The fair value of the Company's common stock held by the Plan decreased from the initial purchase price of $46,369,803 as of December 31, 2023, to $25,530,000 and $24,680,000 as of December 31, 2025 and 2024, respectively, representing declines of approximately 45 percent and 47 percent, respectively. The decrease in fair value primarily reflects the impact of the ESOP-related debt incurred by the Company in connection with the establishment of the Plan and the purchase of Company stock.

The Plan acquired 100 percent of the outstanding shares of the Company on December 31, 2023 through a leveraged transaction funded by a $46,369,803 note payable to the Company. While the 2023 appraisal supporting the initial transaction reflected the Company's enterprise value on a pre-leveraged basis, the December 31, 2025 and 2024 appraisals reflect the post-transaction capital structure, including the significant internal debt obligation associated with the ESOP loan. This change in the Company's leverage materially reduced its equity value, which is the basis for valuing the shares held by the Plan.

The valuations of the Company's common stock as of December 31, 2025 and 2024 were performed by an independent appraiser engaged by the Plan Trustee and incorporated relevant factors including the Company's current financial position, future cash flow projections, prevailing market conditions, and the increased debt burden following the ESOP transaction.

(10) Subsequent Events

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through September 25, 2026, the date the financial statements were available to be issued.

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

2025

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

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
ATLANTA FLOORING DESIGN CENTERS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2023

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)

Atlanta Flooring Design Center

3665 Swiftwater Park Dr Bldg 2

Suwanee GA 30024-7178

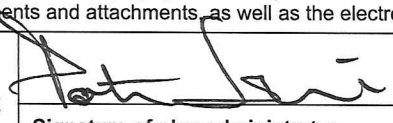
2b Employer Identification Number (EIN)
58-1621134

2c Plan Sponsor's telephone number
770-476-8306

2d Business code (see instructions)
238300

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		10/06/2026	Patricia Toliver Taylor
	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

ATLANTA FLOORING DESIGN CENTERS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
EIN: 58-1621134
FORM 5500 SCHEDULE H, PART IV, LINE 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2025

PLAN NO: 002

(A) *	(B) Identity of Issuer, Borrower, Lessor or Similar Party	(C) Description of Investments	(D) Cost	(E) Current Value
	Company Stock	1,000,000 Shares		
*	Atlanta Flooring Design Centers, Inc.	Class A Common Stock	$ 46,369,803	$ 25,530,000

* Party-in-Interest.