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
BUILDING MATERIAL DISTRIBUTORS, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

1b Three-digit plan number (PN) ▶ 003

1c Effective date of plan 01/01/2010

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)
BUILDING MATERIAL DISTRIBUTORS, INC

225 ELM AVENUE
GALT, CA 95632

2b Employer Identification Number (EIN) 95-3926637

2c Plan Sponsor's telephone number 209-745-3001

2d Business code (see instructions) 423300

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.	10/13/2026	CYNTHIA THOMPSON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2026	CYNTHIA THOMPSON
	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:	**4b**	EIN
a	Sponsor's name	**4d**	PN
c	Plan Name		

5	Total number of participants at the beginning of the plan year	**5**	1249
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)**	730
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	753
b	Retired or separated participants receiving benefits	**6b**	161
c	Other retired or separated participants entitled to future benefits	**6c**	137
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	1051
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	5
f	Total. Add lines **6d** and **6e**.	**6f**	1056
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)**	1196
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)**	1055
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.	**6h**	120
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:

2I 2K 2P 2Q 3H 3I

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)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(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 0
- **(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 _____
- **(4)** [X] **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 C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**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
BUILDING MATERIAL DISTRIBUTORS, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
BUILDING MATERIAL DISTRIBUTORS, INC

D Employer Identification Number (EIN)
95-3926637

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

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
BUILDING MATERIAL DISTRIBUTORS, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
BUILDING MATERIAL DISTRIBUTORS, INC

D Employer Identification Number (EIN)
95-3926637

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)		8393
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	70966	89425
(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)	154120662	87463433
(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	154191628	87561251
Liabilities			
1g Benefit claims payable	1g	2035	11922
1h Operating payables	1h		
1i Acquisition indebtedness	1i		
1j Other liabilities	1j	42257958	46443510
1k Total liabilities (add all amounts in lines 1g through1j)	1k	42259993	46455432
Net Assets			
1l Net assets (subtract line 1k from line 1f)	1l	111931635	41105819

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)	7480480	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)	3360750	
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		10841230
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	33594	
(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)		33594
(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)	-64076448	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		-64076448

		(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		8393
d Total income. Add all **income** amounts in column (b) and enter total	2d		-53193231
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	15587827	
(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)		15587827
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		1991315
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)	53443	
(12) Total administrative expenses. Add lines **2i(1)** through **(11)**	2i(12)		53443
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		17632585
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-70825816
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) [X] 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: RSMUS LLP **(2)** EIN: 42-0714325

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		5000000
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
BUILDING MATERIAL DISTRIBUTORS, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
BUILDING MATERIAL DISTRIBUTORS, INC

D Employer Identification Number (EIN)
95-3926637

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 | 15561449

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

EIN(s): 42-0127290

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

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

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_____.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Financial Report
December 31, 2025

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RSM US LLP



Independent Auditor's Report

Plan Administrative Committee
Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit
We have performed audits of the financial statements of the Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets (deficit) available for benefits as of December 31, 2025 and 2024, the related statement of changes in net assets available for benefits for the year ended December 31, 2025, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2025 and 2024, and for the year ended December 31, 2025, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion
In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

RSM US LLP is the U.S. member firm of RSM International, a global network of independent assurance, tax, and consulting firms.
Visit rsmus.com/aboutus for more information regarding RSM US LLP and RSM International.

Emphasis of Matter—Investment in Common Stock
As disclosed in Note 6, the financial statements include an investment representing 99% of total assets as of December 31, 2025 and 2024, whose fair value has been estimated by an independent appraisal, in the absence of a readily ascertainable fair value, with assistance of management and approved by the trustee. Because of the inherent uncertainty of valuation, the estimated value may differ significantly from the value that would have been used had a market for the investment existed, and the difference could be material. Our report is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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.

Auditor's Responsibilities for the Audit of the Financial Statements
Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, 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.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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

Other Matter—Supplemental Schedules Required by ERISA
The supplemental schedules of Schedule H, line 4i—schedule of assets (held at end of year) as of December 31, 2025, and Schedule H, line 4j—schedule of reportable transactions for the year ended December 31, 2025, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

RSM US LLP

Des Moines, Iowa
October 12, 2026

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Statements of Net Assets (Deficit) Available for Benefits
December 31, 2025

	Allocated	Unallocated	Total
Assets			
Investments at fair value:			
Common stock of Building Material Distributors, Inc.	$ 60,445,841	$ 27,017,592	$ 87,463,433
Interest-bearing cash	89,425	-	89,425
Employer contribution receivable	8,393	-	8,393
Total assets	60,543,659	27,017,592	87,561,251
Liabilities			
Loans payable	-	46,108,080	46,108,080
Interest payable	-	13,756	13,756
Other liabilities	15,228	318,367	333,595
Total liabilities	15,228	46,440,203	46,455,431
Net assets (deficit) available for benefits	$ 60,528,431	$ (19,422,611)	$ 41,105,820

See notes to financial statements.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Statements of Net Assets (Deficit) Available for Benefits
December 31, 2024

	Allocated	Unallocated	Total
Assets			
Investments at fair value:			
Common stock of Building Material Distributors, Inc.	$ 114,065,855	$ 40,054,807	$ 154,120,662
Interest-bearing cash	70,966	-	70,966
Total assets	114,136,821	40,054,807	154,191,628
Liabilities			
Loans payable	-	42,181,813	42,181,813
Interest payable	-	14,727	14,727
Other liabilities	2,685	60,767	63,452
Total liabilities	2,685	42,257,307	42,259,992
Net assets (deficit) available for benefits	$ 114,134,136	$ (2,202,500)	$ 111,931,636

See notes to financial statements.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2025

	Allocated	Unallocated	Total
Additions to net assets attributable to:			
Investment loss:			
Net depreciation in fair value of common stock of Building Material Distributors, Inc.	$ (47,652,089)	$ (16,424,359)	$ (64,076,448)
Interest income	33,594	-	33,594
Employer contributions:			
Common stock	3,360,750	-	3,360,750
Cash	4,159,899	3,320,581	7,480,480
Allocation of 2,626 shares of common stock of Building Material Distributors, Inc.	2,072,875	-	2,072,875
Other income	8,393		8,393
	(38,016,578)	(13,103,778)	(51,120,356)
Deductions from net assets attributed to:			
Benefits paid to participants	15,587,827	-	15,587,827
Interest expense	-	1,991,315	1,991,315
Allocation of 2,626 shares of common stock of Building Material Distributors, Inc.	-	2,072,875	2,072,875
Other expense	1,300	52,143	53,443
	15,589,127	4,116,333	19,705,460
Net decrease	(53,605,705)	(17,220,111)	(70,825,816)
Net assets (deficit) available for benefits:			
Beginning of year	114,134,136	(2,202,500)	111,931,636
End of year	$ 60,528,431	$ (19,422,611)	$ 41,105,820

See notes to financial statements.

Note 1. Plan Description

The following description of the Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan established January 1, 1979, covering substantially all employees, except nonresident aliens, independent contractors/outsourced workers and employees covered by collective bargaining agreements, of Building Material Distributors, Inc. (the Company) and subsidiaries that have adopted the Plan. The Plan operates as an Employee Stock Ownership Plan (ESOP) and stock bonus plan and is designed to comply with Sections 4975(e)(7) and 401(a) of the Internal Revenue Code of 1986, as amended (the Code), and is subject to applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Company's Board of Directors has appointed the Plan Administrative Committee to administer the Plan which currently consists of two Company executives. Two independent individuals, of Summit Fiduciary Group, LLC, serve as the Plan's trustees. Alerus Financial, N.A. serves as the custodian of the Plan's assets.

At its inception, the Plan purchased the Company's common shares using the proceeds of borrowings from the Company, and holds the stock in a trust established under the Plan. As the Plan makes debt payments of principal and interest, an appropriate percentage of stock is allocated to eligible employees' accounts at the end of the year based on each participant's eligible compensation in accordance with the applicable regulations under the Code and as defined in the Plan document.

The borrowings are collateralized by the unallocated shares of common stock and are guaranteed by the Company. The Company has no rights against shares of common stock once they are allocated to participants in accordance with the terms of the Plan. 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:

- The accounts of employees with rights in allocated common stock (allocated); and
- Common stock not yet allocated to employees (unallocated)

Plan year: The Plan year begins January 1 and ends December 31.

Eligibility: Employees of the Company who are 21 years of age or older are eligible to participate in the Plan after completion of one year of service provided they worked at least 1,000 hours during such Plan year. Participants may enter the Plan on the earlier of the first day of the seventh month of the Plan year or the first day of the Plan year coinciding with or next following the date on which the eligibility requirements are met. Participants who do not have 1,000 hours of service during such Plan year or are not employed on the last working day of a Plan year are not eligible for an allocation of Company contributions for such year.

Note 1. Plan Description (Continued)

Contributions: The Plan allows for the following types of contributions:

Employer contributions: The Company may make contributions to the ESOP portion of the Plan in either cash or Company stock as determined by the Board of Directors. The annual contributions, however, may not be less than the annual debt service required on any outstanding notes payable and may not exceed the amount deductible by the Company for federal income tax purposes. The Company made a safe harbor contribution of $3,320,581 in cash related to the Plan's indebtedness during the year ended December 31, 2025. In addition, the Company made a contribution of 7,500 shares purchased by the company valued at $3,360,750 during the year ended December 31, 2025, which were allocated to participants, and contribution cash of $4,159,899 in connection with certain cash distributions.

Qualified Automatic Contribution Arrangement (QACA) safe harbor matching contribution: The Company may declare safe harbor matching contributions in accordance with certain rules of the Code. Contributions are made to the Plan on behalf of each eligible employee participating in the Company's 401(k) Plan. The Safe Harbor matching contribution is an amount equal to 100% of elective deferral contributions into the BMD 401(k) Plan that are not over 2% of compensation, plus 50% of elective deferral contributions that are over 2% of compensation but are not over 6% of compensation. The Company made safe harbor matching contributions of $2,288,158 during the year ended December 31, 2025. The contributions are included in the allocation of shares of Company common stock and employer common stock contributions presented on the statement of changes in net assets available for benefits.

Participant accounts and allocations: The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released from the unallocated account, Company contributions, forfeitures of terminated participants' nonvested accounts, and Plan earnings.

Shares of Company common stock released from the unallocated account, Company contributions and forfeited shares are allocated to participant accounts based on the ratio of a participant's compensation to total participants' compensation, subject to Internal Revenue Service (IRS) limitations or based on the amount of a participant's 401(k) salary deferrals. Participants must be credited with 1,000 hours of service during the Plan year and be employed on the last day of the Plan year to be eligible to receive an allocation of any shares released from the unallocated account not designated for matching 401(k) contributions, Company contributions and forfeitures. Plan earnings and losses are allocated to each participant's account based on the ratio of the participant's account balance to total participant account balances.

Vesting: Employer contributions and gains/losses credited thereon vest on a six-year schedule as follows:

Less than 2 years credited service	0%
After 2 years credited service	20%
After 3 years credited service	40%
After 4 years credited service	60%
After 5 years credited service	80%
After 6 years credited service	100%

QACA safe harbor matching contributions are subject to a two-year cliff vesting schedule.

For vesting purposes, a year of service is equivalent to 1,000 hours of service during the Plan year.

Note 1. Plan Description (Continued)

Retirement: Normal retirement under the Plan is the later of age 65 or five years of participation in the Plan.

Payment of benefits: Payments of benefits may be made at the following times under the Plan: (1) normal retirement; (2) termination of employment of the participant; or (3) death or permanent disability of the participant. The normal form of benefit payment is substantially equal annual installments over five years or five years plus one year for each $210,000 above the plan defined participant account balance threshold, beginning one year after termination, indexed for inflation annually. At the time of distribution, any balance in a participant's account held in shares of the Company's stock is distributed to the participant and redeemed with cash by the Company or redeemed with cash by the Trust upon the Company's assignment of a portion of the redemption obligation to the Trust. The amount to be distributed is based upon the account valuation date immediately preceding the distribution.

Forfeitures: Forfeitures shall first be made available to reinstate previously forfeited accounts of former participants if restoration of accounts is necessary per terms of the Plan. The remaining forfeitures, if any, may be used to pay Plan administrative expenses at the Plan Administrator's discretion. Any remaining forfeitures are then allocated to each eligible participant's account based upon the relation of the participant's compensation to total compensation for the Plan year. Forfeitures of terminated nonvested account balances allocated to remaining eligible participants during the year ended December 31, 2025, totaled $864,847. No forfeiture balances were available for allocation as of December 31, 2025 and 2024.

Diversification rights: 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 common stock into investments which are more diversified. Participants who are at least age 55 and have completed at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage increases to 50%. Participants who elect to diversify receive a distribution of shares that are redeemed with cash by the Company or Trust. During the year ended December 31, 2025, approximately 3,770 shares for diversifications were distributed to participants and repurchased for a value of $2,977,081. Diversifications are included in benefits paid to participants on the statement of changes in net assets.

Voting rights: The shares of Company stock are owned by the Plan trust for all participants and not directly by the participants. Therefore, participants do not have the right to vote shares directly. In some cases, however, participants are entitled to direct the trustee on how to vote shares that are allocated to them. The situations are limited to major Company events, such as a merger or other major financial restructuring. The trustee is required to vote any uninstructed and unallocated shares on behalf of the collective best interest of Plan participants and beneficiaries.

Plan termination: Although it has not expressed any intent to do so, the Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, participants become fully vested in their accounts and the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the Plan Administrative Committee shall direct the trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed common stock held in the loan suspense account to the extent it determines such sale to be necessary in order to repay the loans.

Note 1. Plan Description (Continued)

Put option: Under federal income tax regulations, the Company stock that is held by the Plan, and its participants, is not readily tradeable on an established market, or is subject to trading limitations, and includes a put option. The purpose of the requirement is to ensure that the participant has the ability to ultimately obtain cash. Pursuant to the Code and to preserve the Company's S corporation status, the Plan document provides that the Company repurchase any shares of its stock distributed to participants for cash. The purchase price is representative of the fair market value of the stock.

Note 2. Summary of Significant Accounting Policies

The Plan's significant accounting policies are as follows:

Basis of accounting: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Accounting estimates and assumptions: The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

The financial statements include the Company's common stock valued at approximately $87,463,000 and $154,121,000 as of December 31, 2025 and 2024, respectively, whose value has been determined by an independent appraisal in the absence of readily available market values. Because of the inherent subjectivity in any valuation, those estimated values may differ from values that would have been used had a ready market for the securities existed, and the difference could be material in the near term.

Valuation of investments and income recognition: Investments of the Plan are recorded 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 8 for discussion of fair value measurements.

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

Risks and uncertainties: Approximately 100% of the Plan's investments consist 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 common stock and to uncertainties inherent in the estimation and assumptions process, it is at least reasonably possible that changes in the values of common stock will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the 2025 statements of net assets available for benefits.

Payment of benefits: Benefit payments are recorded when paid.

Subsequent events: Management has evaluated potential subsequent events through October 12, 2026, which is the date the financial statements were available to be issued.

Note 3. Administration of Plan Assets

The Plan's assets, which consist principally of Company common stock, are held in trust by the custodian of the Plan. Company contributions are held and managed by the trustees, who invest cash received, interest, and dividend income if any, and makes distributions to participants. The trustees and the Plan Administrative Committee also administer the payment of interest and principal on loans.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from the financial statements.

Note 4. Tax Status

The Plan obtained its latest determination letter on September 27, 2013, in which the IRS stated that the Plan, as then designed, was in compliance with the applicable requirements of the Code. The plan document has been amended since receiving the determination letter, however, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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

Note 5. Information Certified and Provided by Alerus Financial, N.A.

The following is a summary of the Plan's asset information as of December 31, 2025 and 2024 and for the year ended December 31, 2025, included throughout the Plan's financial statements and ERISA-required supplemental schedules, obtained by management and agreed to or derived from information certified by Alerus Financial, N.A., the custodian of the Plan. The Plan Administrator has obtained certifications from the custodian that the information provided to the Plan Administrator by the custodian related to the following assets is complete and accurate.

	2025	2024
Investments at fair value:		
Interest-bearing cash	$ 89,425	$ 70,966
Common stock, Building Material Distributors, Inc.	87,463,433	154,120,662

The custodian also certified the completeness and accuracy of interest income of $33,594 and $64,076,448 of net depreciation of investments (including investments, bought, sold, and held during the year) for the year ended December 31, 2025.

All assets and liabilities of the Plan are nonparticipant-directed, and all changes in Plan net assets are detailed on the statement of changes in net assets available for benefits.

Note 6. Investment in Common Stock of Building Material Distributors, Inc.

Information about the Plan's investment in the common stock of Building Material Distributor's, Inc. (or party-in-interest) as of December 31, 2025 and 2024, is as follows:

	2025		2024	
	Allocated	Unallocated	Allocated	Unallocated
Number of shares	134,894	60,294	144,479	50,734
Cost	$ 35,686,360	$ 28,785,441	$ 48,664,710	$ 39,385,884
Fair value	$ 60,445,841	$ 27,017,592	$ 114,065,855	$ 40,054,807

Note 7. Loans Payable

The loan agreements the Plan has entered into with the Company as of December 31, 2025 and 2024, are summarized below:

Plan Year Borrowed	Loan Amount	Maturity Date	Annual Payment	2025	2024
2025	$ 5,460,019	December 15, 2055	$ 388,952	$ 5,460,019	$ -
2024	8,578,884	December 15, 2054	568,445	8,451,062	8,578,884
2023	13,300,996	December 15, 2053	919,985	12,917,399	13,243,403
2022	8,499,204	December 15, 2042	653,438	7,638,039	8,014,772
2021	5,688,102	December 15, 2041	375,272	4,808,906	5,045,920
2020	6,122,854	December 15, 2040	306,143 plus interest	4,592,140	4,898,282
2019	5,450,031	December 15, 2039	160,037 plus interest	2,240,515	2,400,552
Total				$ 46,108,080	$ 42,181,813

The loans are payable in annual principal installments plus interest on December 15 of each year until maturity when the unpaid balance, if any, is due. Notes entered into during 2020 and 2019 bear interest at rates adjusted annually to the Long-Term Applicable Federal Rate pursuant to Code Section 1274(d) as of the first day of the plan year (4.53% and 4.54% at December 31, 2025 and 2024, respectively). Notes entered into during 2025, 2024, 2023, 2022, and 2021 bear interest at fixed rates of 5.73%, 5.10%, 5.46%, 4.43%, and 2.74%, respectively.

The secured borrowings are collateralized by the unallocated shares of Company common stock.

Note 7. Loans Payable (Continued)

Aggregate maturities of the notes payable are as follows:

Years ending December 31:	
2026	$ 1,570,235
2027	1,606,509
2028	1,644,607
2029	1,684,622
2030	1,726,652
Thereafter	37,875,455
	$ 46,108,080

Note 8. Fair Value Measurements

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 and requires the use of valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources, or unobservable, meaning those that reflect the Plan's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the ful term of the asset or liability.

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

Descriptions of the valuation methodologies used for instruments measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below. The level to which an asset or liability is classified is based upon the lowest level of input that is significant to the fair value measurements. There have been no changes in valuation methodologies at December 31, 2025 and 2024.

Common stock: The fair value of shares of stock in the Company is based on an independent appraisal. See description of the valuation method disclosed in Note 8.

Interest-bearing cash: The fair value of the money market fund is based on quoted net asset value of the shares held by the Plan at year-end. The money market fund is valued at the daily closing price reported by the fund.

Note 8. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2025 and 2024:

	Assets at Fair Value as of December 31, 2025			
	Level 1	Level 2	Level 3	Total
Investment in common stock of Building Material Distributors, Inc.	$ -	$ -	$ 87,463,433	$ 87,463,433
Interest-bearing cash	89,425	-	-	89,425
Total assets at fair value	$ 89,425	$ -	$ 87,463,433	$ 87,552,858

	Assets at Fair Value as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Investment in common stock of Building Material Distributors, Inc.	$ -	$ -	$ 154,120,662	$ 154,120,662
Interest-bearing cash	70,966	-	-	70,966
Total assets at fair value	$ 70,966	$ -	$ 154,120,662	$ 154,191,628

Changes in fair value of Level 3 assets: To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another.

Plan management evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2025, there were no transfers in or out of Level 3.

The following table sets forth a summary of additions to and deductions from the Plan's Level 3 assets for the year ended December 31, 2025:

	Common Stock
Shares purchased (12,185 shares)	$ 5,460,018
Shares received from employer (7,500 shares)	3,360,750
Shares distributed (19,710 shares)	(15,587,828)

The following table represents the Plan's Level 3 financial instruments at December 31, 2025 and 2024, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs:

Description	2025 Fair Value	2024 Fair Value	Principal Valuation Technique	Unobservable Inputs
Common stock, Building Material Distributors, Inc.	$ 87,463,433	$ 154,120,662	Appraisal—discounted cash flow (income approach)	Fair value of Building Material Distributors, Inc.'s net worth
				Discount for lack of marketability
				Long-term growth rate
				Weighted-average cost of capital

Note 8. Fair Value Measurements (Continued)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate. 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.

Note 9. Related-Party and Party-In-Interest Transactions

The Plan invests in Company common stock and has indebtedness to the Company. This investment and transaction qualify as party-in-interest transactions which are exempt from the prohibited transaction rules under ERISA. As discussed in Note 1, another plan sponsored by the Plan Sponsor, the BMD 401k Plan, has provisions whereby the safe harbor matching contributions on its participants' 401(k) deferral contributions are contributed to this Plan each year. This consisted of a contribution of approximately 1,090 shares of the common stock of Building Material Distributors, Inc. along with approximately 2,626 shares released as part of the Company's regular contribution, allocated to the respective participants' accounts.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Schedule H, Line 4i—Schedule of Assets (Held at End of Year)
December 31, 2025

Employer Identification Number: 95-3926637
Plan Number: 003

(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
Nonparticipant-directed:				
		Common Stock:		
	Building Material Distributors, Inc.*	Building Material Distributors, Inc. 195,188 shares	$ 64,471,801	$ 87,463,433
		Interest-Bearing Cash:		
	Alerus Financial, N.A.	Alerus Money Market Fund	89,425	89,425
				$ 87,552,858

*Party-in-interest

The above information has been certified by Alerus Financial, N.A., the custodian, to be complete and accurate.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Schedule H, Line 4j—Schedule of Reportable Transactions
For the Year Ended December 31, 2025

Employee Identification Number: 95-3926637
Plan Number: 003

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Series of transactions:								
Alerus Financial, N.A	Money market account	$ 11,947,855	$ 11,947,855	$ -	$ -	$ 11,947,855	$ 11,947,855	$ -
Alerus Financial, N.A	Money market account	11,929,396	11,929,396	-	-	11,929,396	11,929,396	-
Single transactions:								
Alerus Financial, N.A	Money market account	9,628,310	9,628,310	-	-	9,628,310	9,628,310	-
Alerus Financial, N.A	Money market account	9,221,080	9,221,080	-	-	9,221,080	9,221,080	-

*Party-in-interest

The above information has been certified by Alerus Financial, N.A., the custodian, to be complete and accurate.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Financial Report
December 31, 2025

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RSM US LLP



Independent Auditor's Report

Plan Administrative Committee
Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit
We have performed audits of the financial statements of the Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets (deficit) available for benefits as of December 31, 2025 and 2024, the related statement of changes in net assets available for benefits for the year ended December 31, 2025, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2025 and 2024, and for the year ended December 31, 2025, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion
In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

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Emphasis of Matter—Investment in Common Stock
As disclosed in Note 6, the financial statements include an investment representing 99% of total assets as of December 31, 2025 and 2024, whose fair value has been estimated by an independent appraisal, in the absence of a readily ascertainable fair value, with assistance of management and approved by the trustee. Because of the inherent uncertainty of valuation, the estimated value may differ significantly from the value that would have been used had a market for the investment existed, and the difference could be material. Our report is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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.

Auditor's Responsibilities for the Audit of the Financial Statements
Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, 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.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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

Other Matter—Supplemental Schedules Required by ERISA
The supplemental schedules of Schedule H, line 4i—schedule of assets (held at end of year) as of December 31, 2025, and Schedule H, line 4j—schedule of reportable transactions for the year ended December 31, 2025, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

RSM US LLP

Des Moines, Iowa
October 12, 2026

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Statements of Net Assets (Deficit) Available for Benefits
December 31, 2025

	Allocated	Unallocated	Total
Assets			
Investments at fair value:			
Common stock of Building Material Distributors, Inc.	$ 60,445,841	$ 27,017,592	$ 87,463,433
Interest-bearing cash	89,425	-	89,425
Employer contribution receivable	8,393	-	8,393
Total assets	60,543,659	27,017,592	87,561,251
Liabilities			
Loans payable	-	46,108,080	46,108,080
Interest payable	-	13,756	13,756
Other liabilities	15,228	318,367	333,595
Total liabilities	15,228	46,440,203	46,455,431
Net assets (deficit) available for benefits	$ 60,528,431	$ (19,422,611)	$ 41,105,820

See notes to financial statements.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Statements of Net Assets (Deficit) Available for Benefits
December 31, 2024

	Allocated	Unallocated	Total
Assets			
Investments at fair value:			
Common stock of Building Material Distributors, Inc.	$ 114,065,855	$ 40,054,807	$ 154,120,662
Interest-bearing cash	70,966	-	70,966
Total assets	114,136,821	40,054,807	154,191,628
Liabilities			
Loans payable	-	42,181,813	42,181,813
Interest payable	-	14,727	14,727
Other liabilities	2,685	60,767	63,452
Total liabilities	2,685	42,257,307	42,259,992
Net assets (deficit) available for benefits	$ 114,134,136	$ (2,202,500)	$ 111,931,636

See notes to financial statements.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2025

	Allocated	Unallocated	Total
Additions to net assets attributable to:			
Investment loss:			
Net depreciation in fair value of common stock of Building Material Distributors, Inc.	$ (47,652,089)	$ (16,424,359)	$ (64,076,448)
Interest income	33,594	-	33,594
Employer contributions:			
Common stock	3,360,750	-	3,360,750
Cash	4,159,899	3,320,581	7,480,480
Allocation of 2,626 shares of common stock of Building Material Distributors, Inc.	2,072,875	-	2,072,875
Other income	8,393		8,393
	(38,016,578)	(13,103,778)	(51,120,356)
Deductions from net assets attributed to:			
Benefits paid to participants	15,587,827	-	15,587,827
Interest expense	-	1,991,315	1,991,315
Allocation of 2,626 shares of common stock of Building Material Distributors, Inc.	-	2,072,875	2,072,875
Other expense	1,300	52,143	53,443
	15,589,127	4,116,333	19,705,460
Net decrease	(53,605,705)	(17,220,111)	(70,825,816)
Net assets (deficit) available for benefits:			
Beginning of year	114,134,136	(2,202,500)	111,931,636
End of year	$ 60,528,431	$ (19,422,611)	$ 41,105,820

See notes to financial statements.

Note 1. Plan Description

The following description of the Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan established January 1, 1979, covering substantially all employees, except nonresident aliens, independent contractors/outsourced workers and employees covered by collective bargaining agreements, of Building Material Distributors, Inc. (the Company) and subsidiaries that have adopted the Plan. The Plan operates as an Employee Stock Ownership Plan (ESOP) and stock bonus plan and is designed to comply with Sections 4975(e)(7) and 401(a) of the Internal Revenue Code of 1986, as amended (the Code), and is subject to applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Company's Board of Directors has appointed the Plan Administrative Committee to administer the Plan which currently consists of two Company executives. Two independent individuals, of Summit Fiduciary Group, LLC, serve as the Plan's trustees. Alerus Financial, N.A. serves as the custodian of the Plan's assets.

At its inception, the Plan purchased the Company's common shares using the proceeds of borrowings from the Company, and holds the stock in a trust established under the Plan. As the Plan makes debt payments of principal and interest, an appropriate percentage of stock is allocated to eligible employees' accounts at the end of the year based on each participant's eligible compensation in accordance with the applicable regulations under the Code and as defined in the Plan document.

The borrowings are collateralized by the unallocated shares of common stock and are guaranteed by the Company. The Company has no rights against shares of common stock once they are allocated to participants in accordance with the terms of the Plan. 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:

- The accounts of employees with rights in allocated common stock (allocated); and
- Common stock not yet allocated to employees (unallocated)

Plan year: The Plan year begins January 1 and ends December 31.

Eligibility: Employees of the Company who are 21 years of age or older are eligible to participate in the Plan after completion of one year of service provided they worked at least 1,000 hours during such Plan year. Participants may enter the Plan on the earlier of the first day of the seventh month of the Plan year or the first day of the Plan year coinciding with or next following the date on which the eligibility requirements are met. Participants who do not have 1,000 hours of service during such Plan year or are not employed on the last working day of a Plan year are not eligible for an allocation of Company contributions for such year.

Note 1. Plan Description (Continued)

Contributions: The Plan allows for the following types of contributions:

Employer contributions: The Company may make contributions to the ESOP portion of the Plan in either cash or Company stock as determined by the Board of Directors. The annual contributions, however, may not be less than the annual debt service required on any outstanding notes payable and may not exceed the amount deductible by the Company for federal income tax purposes. The Company made a safe harbor contribution of $3,320,581 in cash related to the Plan's indebtedness during the year ended December 31, 2025. In addition, the Company made a contribution of 7,500 shares purchased by the company valued at $3,360,750 during the year ended December 31, 2025, which were allocated to participants, and contribution cash of $4,159,899 in connection with certain cash distributions.

Qualified Automatic Contribution Arrangement (QACA) safe harbor matching contribution: The Company may declare safe harbor matching contributions in accordance with certain rules of the Code. Contributions are made to the Plan on behalf of each eligible employee participating in the Company's 401(k) Plan. The Safe Harbor matching contribution is an amount equal to 100% of elective deferral contributions into the BMD 401(k) Plan that are not over 2% of compensation, plus 50% of elective deferral contributions that are over 2% of compensation but are not over 6% of compensation. The Company made safe harbor matching contributions of $2,288,158 during the year ended December 31, 2025. The contributions are included in the allocation of shares of Company common stock and employer common stock contributions presented on the statement of changes in net assets available for benefits.

Participant accounts and allocations: The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released from the unallocated account, Company contributions, forfeitures of terminated participants' nonvested accounts, and Plan earnings.

Shares of Company common stock released from the unallocated account, Company contributions and forfeited shares are allocated to participant accounts based on the ratio of a participant's compensation to total participants' compensation, subject to Internal Revenue Service (IRS) limitations or based on the amount of a participant's 401(k) salary deferrals. Participants must be credited with 1,000 hours of service during the Plan year and be employed on the last day of the Plan year to be eligible to receive an allocation of any shares released from the unallocated account not designated for matching 401(k) contributions, Company contributions and forfeitures. Plan earnings and losses are allocated to each participant's account based on the ratio of the participant's account balance to total participant account balances.

Vesting: Employer contributions and gains/losses credited thereon vest on a six-year schedule as follows:

Less than 2 years credited service	0%
After 2 years credited service	20%
After 3 years credited service	40%
After 4 years credited service	60%
After 5 years credited service	80%
After 6 years credited service	100%

QACA safe harbor matching contributions are subject to a two-year cliff vesting schedule.

For vesting purposes, a year of service is equivalent to 1,000 hours of service during the Plan year.

Note 1. Plan Description (Continued)

Retirement: Normal retirement under the Plan is the later of age 65 or five years of participation in the Plan.

Payment of benefits: Payments of benefits may be made at the following times under the Plan: (1) normal retirement; (2) termination of employment of the participant; or (3) death or permanent disability of the participant. The normal form of benefit payment is substantially equal annual installments over five years or five years plus one year for each $210,000 above the plan defined participant account balance threshold, beginning one year after termination, indexed for inflation annually. At the time of distribution, any balance in a participant's account held in shares of the Company's stock is distributed to the participant and redeemed with cash by the Company or redeemed with cash by the Trust upon the Company's assignment of a portion of the redemption obligation to the Trust. The amount to be distributed is based upon the account valuation date immediately preceding the distribution.

Forfeitures: Forfeitures shall first be made available to reinstate previously forfeited accounts of former participants if restoration of accounts is necessary per terms of the Plan. The remaining forfeitures, if any, may be used to pay Plan administrative expenses at the Plan Administrator's discretion. Any remaining forfeitures are then allocated to each eligible participant's account based upon the relation of the participant's compensation to total compensation for the Plan year. Forfeitures of terminated nonvested account balances allocated to remaining eligible participants during the year ended December 31, 2025, totaled $864,847. No forfeiture balances were available for allocation as of December 31, 2025 and 2024.

Diversification rights: 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 common stock into investments which are more diversified. Participants who are at least age 55 and have completed at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage increases to 50%. Participants who elect to diversify receive a distribution of shares that are redeemed with cash by the Company or Trust. During the year ended December 31, 2025, approximately 3,770 shares for diversifications were distributed to participants and repurchased for a value of $2,977,081. Diversifications are included in benefits paid to participants on the statement of changes in net assets.

Voting rights: The shares of Company stock are owned by the Plan trust for all participants and not directly by the participants. Therefore, participants do not have the right to vote shares directly. In some cases, however, participants are entitled to direct the trustee on how to vote shares that are allocated to them. The situations are limited to major Company events, such as a merger or other major financial restructuring. The trustee is required to vote any uninstructed and unallocated shares on behalf of the collective best interest of Plan participants and beneficiaries.

Plan termination: Although it has not expressed any intent to do so, the Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, participants become fully vested in their accounts and the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the Plan Administrative Committee shall direct the trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed common stock held in the loan suspense account to the extent it determines such sale to be necessary in order to repay the loans.

Note 1. Plan Description (Continued)

Put option: Under federal income tax regulations, the Company stock that is held by the Plan, and its participants, is not readily tradeable on an established market, or is subject to trading limitations, and includes a put option. The purpose of the requirement is to ensure that the participant has the ability to ultimately obtain cash. Pursuant to the Code and to preserve the Company's S corporation status, the Plan document provides that the Company repurchase any shares of its stock distributed to participants for cash. The purchase price is representative of the fair market value of the stock.

Note 2. Summary of Significant Accounting Policies

The Plan's significant accounting policies are as follows:

Basis of accounting: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Accounting estimates and assumptions: The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

The financial statements include the Company's common stock valued at approximately $87,463,000 and $154,121,000 as of December 31, 2025 and 2024, respectively, whose value has been determined by an independent appraisal in the absence of readily available market values. Because of the inherent subjectivity in any valuation, those estimated values may differ from values that would have been used had a ready market for the securities existed, and the difference could be material in the near term.

Valuation of investments and income recognition: Investments of the Plan are recorded 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 8 for discussion of fair value measurements.

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

Risks and uncertainties: Approximately 100% of the Plan's investments consist 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 common stock and to uncertainties inherent in the estimation and assumptions process, it is at least reasonably possible that changes in the values of common stock will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the 2025 statements of net assets available for benefits.

Payment of benefits: Benefit payments are recorded when paid.

Subsequent events: Management has evaluated potential subsequent events through October 12, 2026, which is the date the financial statements were available to be issued.

Note 3. Administration of Plan Assets

The Plan's assets, which consist principally of Company common stock, are held in trust by the custodian of the Plan. Company contributions are held and managed by the trustees, who invest cash received, interest, and dividend income if any, and makes distributions to participants. The trustees and the Plan Administrative Committee also administer the payment of interest and principal on loans.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from the financial statements.

Note 4. Tax Status

The Plan obtained its latest determination letter on September 27, 2013, in which the IRS stated that the Plan, as then designed, was in compliance with the applicable requirements of the Code. The plan document has been amended since receiving the determination letter, however, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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

Note 5. Information Certified and Provided by Alerus Financial, N.A.

The following is a summary of the Plan's asset information as of December 31, 2025 and 2024 and for the year ended December 31, 2025, included throughout the Plan's financial statements and ERISA-required supplemental schedules, obtained by management and agreed to or derived from information certified by Alerus Financial, N.A., the custodian of the Plan. The Plan Administrator has obtained certifications from the custodian that the information provided to the Plan Administrator by the custodian related to the following assets is complete and accurate.

	2025	2024
Investments at fair value:		
Interest-bearing cash	$ 89,425	$ 70,966
Common stock, Building Material Distributors, Inc.	87,463,433	154,120,662

The custodian also certified the completeness and accuracy of interest income of $33,594 and $64,076,448 of net depreciation of investments (including investments, bought, sold, and held during the year) for the year ended December 31, 2025.

All assets and liabilities of the Plan are nonparticipant-directed, and all changes in Plan net assets are detailed on the statement of changes in net assets available for benefits.

Note 6. Investment in Common Stock of Building Material Distributors, Inc.

Information about the Plan's investment in the common stock of Building Material Distributor's, Inc. (or party-in-interest) as of December 31, 2025 and 2024, is as follows:

	2025		2024	
	Allocated	Unallocated	Allocated	Unallocated
Number of shares	134,894	60,294	144,479	50,734
Cost	$ 35,686,360	$ 28,785,441	$ 48,664,710	$ 39,385,884
Fair value	$ 60,445,841	$ 27,017,592	$ 114,065,855	$ 40,054,807

Note 7. Loans Payable

The loan agreements the Plan has entered into with the Company as of December 31, 2025 and 2024, are summarized below:

Plan Year Borrowed	Loan Amount	Maturity Date	Annual Payment	2025	2024
2025	$ 5,460,019	December 15, 2055	$ 388,952	$ 5,460,019	$ -
2024	8,578,884	December 15, 2054	568,445	8,451,062	8,578,884
2023	13,300,996	December 15, 2053	919,985	12,917,399	13,243,403
2022	8,499,204	December 15, 2042	653,438	7,638,039	8,014,772
2021	5,688,102	December 15, 2041	375,272	4,808,906	5,045,920
2020	6,122,854	December 15, 2040	306,143 plus interest	4,592,140	4,898,282
2019	5,450,031	December 15, 2039	160,037 plus interest	2,240,515	2,400,552
Total				$ 46,108,080	$ 42,181,813

The loans are payable in annual principal installments plus interest on December 15 of each year until maturity when the unpaid balance, if any, is due. Notes entered into during 2020 and 2019 bear interest at rates adjusted annually to the Long-Term Applicable Federal Rate pursuant to Code Section 1274(d) as of the first day of the plan year (4.53% and 4.54% at December 31, 2025 and 2024, respectively). Notes entered into during 2025, 2024, 2023, 2022, and 2021 bear interest at fixed rates of 5.73%, 5.10%, 5.46%, 4.43%, and 2.74%, respectively.

The secured borrowings are collateralized by the unallocated shares of Company common stock.

Note 7. Loans Payable (Continued)

Aggregate maturities of the notes payable are as follows:

Years ending December 31:	
2026	$ 1,570,235
2027	1,606,509
2028	1,644,607
2029	1,684,622
2030	1,726,652
Thereafter	37,875,455
	$ 46,108,080

Note 8. Fair Value Measurements

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 and requires the use of valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources, or unobservable, meaning those that reflect the Plan's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the ful term of the asset or liability.

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

Descriptions of the valuation methodologies used for instruments measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below. The level to which an asset or liability is classified is based upon the lowest level of input that is significant to the fair value measurements. There have been no changes in valuation methodologies at December 31, 2025 and 2024.

Common stock: The fair value of shares of stock in the Company is based on an independent appraisal. See description of the valuation method disclosed in Note 8.

Interest-bearing cash: The fair value of the money market fund is based on quoted net asset value of the shares held by the Plan at year-end. The money market fund is valued at the daily closing price reported by the fund.

Note 8. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2025 and 2024:

	Assets at Fair Value as of December 31, 2025			
	Level 1	Level 2	Level 3	Total
Investment in common stock of Building Material Distributors, Inc.	$ -	$ -	$ 87,463,433	$ 87,463,433
Interest-bearing cash	89,425	-	-	89,425
Total assets at fair value	$ 89,425	$ -	$ 87,463,433	$ 87,552,858

	Assets at Fair Value as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Investment in common stock of Building Material Distributors, Inc.	$ -	$ -	$ 154,120,662	$ 154,120,662
Interest-bearing cash	70,966	-	-	70,966
Total assets at fair value	$ 70,966	$ -	$ 154,120,662	$ 154,191,628

Changes in fair value of Level 3 assets: To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another.

Plan management evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2025, there were no transfers in or out of Level 3.

The following table sets forth a summary of additions to and deductions from the Plan's Level 3 assets for the year ended December 31, 2025:

	Common Stock
Shares purchased (12,185 shares)	$ 5,460,018
Shares received from employer (7,500 shares)	3,360,750
Shares distributed (19,710 shares)	(15,587,828)

The following table represents the Plan's Level 3 financial instruments at December 31, 2025 and 2024, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs:

Description	2025 Fair Value	2024 Fair Value	Principal Valuation Technique	Unobservable Inputs
Common stock, Building Material Distributors, Inc.	$ 87,463,433	$ 154,120,662	Appraisal—discounted cash flow (income approach)	Fair value of Building Material Distributors, Inc.'s net worth
				Discount for lack of marketability
				Long-term growth rate
				Weighted-average cost of capital

Note 8. Fair Value Measurements (Continued)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate. 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.

Note 9. Related-Party and Party-In-Interest Transactions

The Plan invests in Company common stock and has indebtedness to the Company. This investment and transaction qualify as party-in-interest transactions which are exempt from the prohibited transaction rules under ERISA. As discussed in Note 1, another plan sponsored by the Plan Sponsor, the BMD 401k Plan, has provisions whereby the safe harbor matching contributions on its participants' 401(k) deferral contributions are contributed to this Plan each year. This consisted of a contribution of approximately 1,090 shares of the common stock of Building Material Distributors, Inc. along with approximately 2,626 shares released as part of the Company's regular contribution, allocated to the respective participants' accounts.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Schedule H, Line 4i—Schedule of Assets (Held at End of Year)
December 31, 2025

Employer Identification Number: 95-3926637
Plan Number: 003

(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
Nonparticipant-directed:				
		Common Stock:		
	Building Material Distributors, Inc.*	Building Material Distributors, Inc. 195,188 shares	$ 64,471,801	$ 87,463,433
		Interest-Bearing Cash:		
	Alerus Financial, N.A.	Alerus Money Market Fund	89,425	89,425
				$ 87,552,858

*Party-in-interest

The above information has been certified by Alerus Financial, N.A., the custodian, to be complete and accurate.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Schedule H, Line 4j—Schedule of Reportable Transactions
For the Year Ended December 31, 2025

Employee Identification Number: 95-3926637
Plan Number: 003

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Series of transactions:								
Alerus Financial, N.A	Money market account	$ 11,947,855	$ 11,947,855	$ -	$ -	$ 11,947,855	$ 11,947,855	$ -
Alerus Financial, N.A	Money market account	11,929,396	11,929,396	-	-	11,929,396	11,929,396	-
Single transactions:								
Alerus Financial, N.A	Money market account	9,628,310	9,628,310	-	-	9,628,310	9,628,310	-
Alerus Financial, N.A	Money market account	9,221,080	9,221,080	-	-	9,221,080	9,221,080	-

*Party-in-interest

The above information has been certified by Alerus Financial, N.A., the custodian, to be complete and accurate.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Financial Report
December 31, 2025

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RSM US LLP



Independent Auditor's Report

Plan Administrative Committee
Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit
We have performed audits of the financial statements of the Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets (deficit) available for benefits as of December 31, 2025 and 2024, the related statement of changes in net assets available for benefits for the year ended December 31, 2025, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2025 and 2024, and for the year ended December 31, 2025, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion
In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

RSM US LLP is the U.S. member firm of RSM International, a global network of independent assurance, tax, and consulting firms.
Visit rsmus.com/aboutus for more information regarding RSM US LLP and RSM International.

Emphasis of Matter—Investment in Common Stock
As disclosed in Note 6, the financial statements include an investment representing 99% of total assets as of December 31, 2025 and 2024, whose fair value has been estimated by an independent appraisal, in the absence of a readily ascertainable fair value, with assistance of management and approved by the trustee. Because of the inherent uncertainty of valuation, the estimated value may differ significantly from the value that would have been used had a market for the investment existed, and the difference could be material. Our report is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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.

Auditor's Responsibilities for the Audit of the Financial Statements
Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, 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.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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

Other Matter—Supplemental Schedules Required by ERISA
The supplemental schedules of Schedule H, line 4i—schedule of assets (held at end of year) as of December 31, 2025, and Schedule H, line 4j—schedule of reportable transactions for the year ended December 31, 2025, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

RSM US LLP

Des Moines, Iowa
October 12, 2026

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Statements of Net Assets (Deficit) Available for Benefits
December 31, 2025

	Allocated	Unallocated	Total
Assets			
Investments at fair value:			
Common stock of Building Material Distributors, Inc.	$ 60,445,841	$ 27,017,592	$ 87,463,433
Interest-bearing cash	89,425	-	89,425
Employer contribution receivable	8,393	-	8,393
Total assets	60,543,659	27,017,592	87,561,251
Liabilities			
Loans payable	-	46,108,080	46,108,080
Interest payable	-	13,756	13,756
Other liabilities	15,228	318,367	333,595
Total liabilities	15,228	46,440,203	46,455,431
Net assets (deficit) available for benefits	$ 60,528,431	$ (19,422,611)	$ 41,105,820

See notes to financial statements.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Statements of Net Assets (Deficit) Available for Benefits
December 31, 2024

	Allocated	Unallocated	Total
Assets			
Investments at fair value:			
Common stock of Building Material Distributors, Inc.	$ 114,065,855	$ 40,054,807	$ 154,120,662
Interest-bearing cash	70,966	-	70,966
Total assets	114,136,821	40,054,807	154,191,628
Liabilities			
Loans payable	-	42,181,813	42,181,813
Interest payable	-	14,727	14,727
Other liabilities	2,685	60,767	63,452
Total liabilities	2,685	42,257,307	42,259,992
Net assets (deficit) available for benefits	$ 114,134,136	$ (2,202,500)	$ 111,931,636

See notes to financial statements.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2025

	Allocated	Unallocated	Total
Additions to net assets attributable to:			
Investment loss:			
Net depreciation in fair value of common stock of Building Material Distributors, Inc.	$ (47,652,089)	$ (16,424,359)	$ (64,076,448)
Interest income	33,594	-	33,594
Employer contributions:			
Common stock	3,360,750	-	3,360,750
Cash	4,159,899	3,320,581	7,480,480
Allocation of 2,626 shares of common stock of Building Material Distributors, Inc.	2,072,875	-	2,072,875
Other income	8,393		8,393
	(38,016,578)	(13,103,778)	(51,120,356)
Deductions from net assets attributed to:			
Benefits paid to participants	15,587,827	-	15,587,827
Interest expense	-	1,991,315	1,991,315
Allocation of 2,626 shares of common stock of Building Material Distributors, Inc.	-	2,072,875	2,072,875
Other expense	1,300	52,143	53,443
	15,589,127	4,116,333	19,705,460
Net decrease	(53,605,705)	(17,220,111)	(70,825,816)
Net assets (deficit) available for benefits:			
Beginning of year	114,134,136	(2,202,500)	111,931,636
End of year	$ 60,528,431	$ (19,422,611)	$ 41,105,820

See notes to financial statements.

Note 1. Plan Description

The following description of the Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan established January 1, 1979, covering substantially all employees, except nonresident aliens, independent contractors/outsourced workers and employees covered by collective bargaining agreements, of Building Material Distributors, Inc. (the Company) and subsidiaries that have adopted the Plan. The Plan operates as an Employee Stock Ownership Plan (ESOP) and stock bonus plan and is designed to comply with Sections 4975(e)(7) and 401(a) of the Internal Revenue Code of 1986, as amended (the Code), and is subject to applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Company's Board of Directors has appointed the Plan Administrative Committee to administer the Plan which currently consists of two Company executives. Two independent individuals, of Summit Fiduciary Group, LLC, serve as the Plan's trustees. Alerus Financial, N.A. serves as the custodian of the Plan's assets.

At its inception, the Plan purchased the Company's common shares using the proceeds of borrowings from the Company, and holds the stock in a trust established under the Plan. As the Plan makes debt payments of principal and interest, an appropriate percentage of stock is allocated to eligible employees' accounts at the end of the year based on each participant's eligible compensation in accordance with the applicable regulations under the Code and as defined in the Plan document.

The borrowings are collateralized by the unallocated shares of common stock and are guaranteed by the Company. The Company has no rights against shares of common stock once they are allocated to participants in accordance with the terms of the Plan. 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:

- The accounts of employees with rights in allocated common stock (allocated); and
- Common stock not yet allocated to employees (unallocated)

Plan year: The Plan year begins January 1 and ends December 31.

Eligibility: Employees of the Company who are 21 years of age or older are eligible to participate in the Plan after completion of one year of service provided they worked at least 1,000 hours during such Plan year. Participants may enter the Plan on the earlier of the first day of the seventh month of the Plan year or the first day of the Plan year coinciding with or next following the date on which the eligibility requirements are met. Participants who do not have 1,000 hours of service during such Plan year or are not employed on the last working day of a Plan year are not eligible for an allocation of Company contributions for such year.

Note 1. Plan Description (Continued)

Contributions: The Plan allows for the following types of contributions:

Employer contributions: The Company may make contributions to the ESOP portion of the Plan in either cash or Company stock as determined by the Board of Directors. The annual contributions, however, may not be less than the annual debt service required on any outstanding notes payable and may not exceed the amount deductible by the Company for federal income tax purposes. The Company made a safe harbor contribution of $3,320,581 in cash related to the Plan's indebtedness during the year ended December 31, 2025. In addition, the Company made a contribution of 7,500 shares purchased by the company valued at $3,360,750 during the year ended December 31, 2025, which were allocated to participants, and contribution cash of $4,159,899 in connection with certain cash distributions.

Qualified Automatic Contribution Arrangement (QACA) safe harbor matching contribution: The Company may declare safe harbor matching contributions in accordance with certain rules of the Code. Contributions are made to the Plan on behalf of each eligible employee participating in the Company's 401(k) Plan. The Safe Harbor matching contribution is an amount equal to 100% of elective deferral contributions into the BMD 401(k) Plan that are not over 2% of compensation, plus 50% of elective deferral contributions that are over 2% of compensation but are not over 6% of compensation. The Company made safe harbor matching contributions of $2,288,158 during the year ended December 31, 2025. The contributions are included in the allocation of shares of Company common stock and employer common stock contributions presented on the statement of changes in net assets available for benefits.

Participant accounts and allocations: The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released from the unallocated account, Company contributions, forfeitures of terminated participants' nonvested accounts, and Plan earnings.

Shares of Company common stock released from the unallocated account, Company contributions and forfeited shares are allocated to participant accounts based on the ratio of a participant's compensation to total participants' compensation, subject to Internal Revenue Service (IRS) limitations or based on the amount of a participant's 401(k) salary deferrals. Participants must be credited with 1,000 hours of service during the Plan year and be employed on the last day of the Plan year to be eligible to receive an allocation of any shares released from the unallocated account not designated for matching 401(k) contributions, Company contributions and forfeitures. Plan earnings and losses are allocated to each participant's account based on the ratio of the participant's account balance to total participant account balances.

Vesting: Employer contributions and gains/losses credited thereon vest on a six-year schedule as follows:

Less than 2 years credited service	0%
After 2 years credited service	20%
After 3 years credited service	40%
After 4 years credited service	60%
After 5 years credited service	80%
After 6 years credited service	100%

QACA safe harbor matching contributions are subject to a two-year cliff vesting schedule.

For vesting purposes, a year of service is equivalent to 1,000 hours of service during the Plan year.

Note 1. Plan Description (Continued)

Retirement: Normal retirement under the Plan is the later of age 65 or five years of participation in the Plan.

Payment of benefits: Payments of benefits may be made at the following times under the Plan: (1) normal retirement; (2) termination of employment of the participant; or (3) death or permanent disability of the participant. The normal form of benefit payment is substantially equal annual installments over five years or five years plus one year for each $210,000 above the plan defined participant account balance threshold, beginning one year after termination, indexed for inflation annually. At the time of distribution, any balance in a participant's account held in shares of the Company's stock is distributed to the participant and redeemed with cash by the Company or redeemed with cash by the Trust upon the Company's assignment of a portion of the redemption obligation to the Trust. The amount to be distributed is based upon the account valuation date immediately preceding the distribution.

Forfeitures: Forfeitures shall first be made available to reinstate previously forfeited accounts of former participants if restoration of accounts is necessary per terms of the Plan. The remaining forfeitures, if any, may be used to pay Plan administrative expenses at the Plan Administrator's discretion. Any remaining forfeitures are then allocated to each eligible participant's account based upon the relation of the participant's compensation to total compensation for the Plan year. Forfeitures of terminated nonvested account balances allocated to remaining eligible participants during the year ended December 31, 2025, totaled $864,847. No forfeiture balances were available for allocation as of December 31, 2025 and 2024.

Diversification rights: 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 common stock into investments which are more diversified. Participants who are at least age 55 and have completed at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage increases to 50%. Participants who elect to diversify receive a distribution of shares that are redeemed with cash by the Company or Trust. During the year ended December 31, 2025, approximately 3,770 shares for diversifications were distributed to participants and repurchased for a value of $2,977,081. Diversifications are included in benefits paid to participants on the statement of changes in net assets.

Voting rights: The shares of Company stock are owned by the Plan trust for all participants and not directly by the participants. Therefore, participants do not have the right to vote shares directly. In some cases, however, participants are entitled to direct the trustee on how to vote shares that are allocated to them. The situations are limited to major Company events, such as a merger or other major financial restructuring. The trustee is required to vote any uninstructed and unallocated shares on behalf of the collective best interest of Plan participants and beneficiaries.

Plan termination: Although it has not expressed any intent to do so, the Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, participants become fully vested in their accounts and the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the Plan Administrative Committee shall direct the trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed common stock held in the loan suspense account to the extent it determines such sale to be necessary in order to repay the loans.

Note 1. Plan Description (Continued)

Put option: Under federal income tax regulations, the Company stock that is held by the Plan, and its participants, is not readily tradeable on an established market, or is subject to trading limitations, and includes a put option. The purpose of the requirement is to ensure that the participant has the ability to ultimately obtain cash. Pursuant to the Code and to preserve the Company's S corporation status, the Plan document provides that the Company repurchase any shares of its stock distributed to participants for cash. The purchase price is representative of the fair market value of the stock.

Note 2. Summary of Significant Accounting Policies

The Plan's significant accounting policies are as follows:

Basis of accounting: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Accounting estimates and assumptions: The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

The financial statements include the Company's common stock valued at approximately $87,463,000 and $154,121,000 as of December 31, 2025 and 2024, respectively, whose value has been determined by an independent appraisal in the absence of readily available market values. Because of the inherent subjectivity in any valuation, those estimated values may differ from values that would have been used had a ready market for the securities existed, and the difference could be material in the near term.

Valuation of investments and income recognition: Investments of the Plan are recorded 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 8 for discussion of fair value measurements.

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

Risks and uncertainties: Approximately 100% of the Plan's investments consist 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 common stock and to uncertainties inherent in the estimation and assumptions process, it is at least reasonably possible that changes in the values of common stock will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the 2025 statements of net assets available for benefits.

Payment of benefits: Benefit payments are recorded when paid.

Subsequent events: Management has evaluated potential subsequent events through October 12, 2026, which is the date the financial statements were available to be issued.

Note 3. Administration of Plan Assets

The Plan's assets, which consist principally of Company common stock, are held in trust by the custodian of the Plan. Company contributions are held and managed by the trustees, who invest cash received, interest, and dividend income if any, and makes distributions to participants. The trustees and the Plan Administrative Committee also administer the payment of interest and principal on loans.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from the financial statements.

Note 4. Tax Status

The Plan obtained its latest determination letter on September 27, 2013, in which the IRS stated that the Plan, as then designed, was in compliance with the applicable requirements of the Code. The plan document has been amended since receiving the determination letter, however, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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

Note 5. Information Certified and Provided by Alerus Financial, N.A.

The following is a summary of the Plan's asset information as of December 31, 2025 and 2024 and for the year ended December 31, 2025, included throughout the Plan's financial statements and ERISA-required supplemental schedules, obtained by management and agreed to or derived from information certified by Alerus Financial, N.A., the custodian of the Plan. The Plan Administrator has obtained certifications from the custodian that the information provided to the Plan Administrator by the custodian related to the following assets is complete and accurate.

	2025	2024
Investments at fair value:		
Interest-bearing cash	$ 89,425	$ 70,966
Common stock, Building Material Distributors, Inc.	87,463,433	154,120,662

The custodian also certified the completeness and accuracy of interest income of $33,594 and $64,076,448 of net depreciation of investments (including investments, bought, sold, and held during the year) for the year ended December 31, 2025.

All assets and liabilities of the Plan are nonparticipant-directed, and all changes in Plan net assets are detailed on the statement of changes in net assets available for benefits.

Note 6. Investment in Common Stock of Building Material Distributors, Inc.

Information about the Plan's investment in the common stock of Building Material Distributor's, Inc. (or party-in-interest) as of December 31, 2025 and 2024, is as follows:

	2025		2024	
	Allocated	Unallocated	Allocated	Unallocated
Number of shares	134,894	60,294	144,479	50,734
Cost	$ 35,686,360	$ 28,785,441	$ 48,664,710	$ 39,385,884
Fair value	$ 60,445,841	$ 27,017,592	$ 114,065,855	$ 40,054,807

Note 7. Loans Payable

The loan agreements the Plan has entered into with the Company as of December 31, 2025 and 2024, are summarized below:

Plan Year Borrowed	Loan Amount	Maturity Date	Annual Payment	2025	2024
2025	$ 5,460,019	December 15, 2055	$ 388,952	$ 5,460,019	$ -
2024	8,578,884	December 15, 2054	568,445	8,451,062	8,578,884
2023	13,300,996	December 15, 2053	919,985	12,917,399	13,243,403
2022	8,499,204	December 15, 2042	653,438	7,638,039	8,014,772
2021	5,688,102	December 15, 2041	375,272	4,808,906	5,045,920
2020	6,122,854	December 15, 2040	306,143 plus interest	4,592,140	4,898,282
2019	5,450,031	December 15, 2039	160,037 plus interest	2,240,515	2,400,552
Total				$ 46,108,080	$ 42,181,813

The loans are payable in annual principal installments plus interest on December 15 of each year until maturity when the unpaid balance, if any, is due. Notes entered into during 2020 and 2019 bear interest at rates adjusted annually to the Long-Term Applicable Federal Rate pursuant to Code Section 1274(d) as of the first day of the plan year (4.53% and 4.54% at December 31, 2025 and 2024, respectively). Notes entered into during 2025, 2024, 2023, 2022, and 2021 bear interest at fixed rates of 5.73%, 5.10%, 5.46%, 4.43%, and 2.74%, respectively.

The secured borrowings are collateralized by the unallocated shares of Company common stock.

Note 7. Loans Payable (Continued)

Aggregate maturities of the notes payable are as follows:

Years ending December 31:	
2026	$ 1,570,235
2027	1,606,509
2028	1,644,607
2029	1,684,622
2030	1,726,652
Thereafter	37,875,455
	$ 46,108,080

Note 8. Fair Value Measurements

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 and requires the use of valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources, or unobservable, meaning those that reflect the Plan's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the ful term of the asset or liability.

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

Descriptions of the valuation methodologies used for instruments measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below. The level to which an asset or liability is classified is based upon the lowest level of input that is significant to the fair value measurements. There have been no changes in valuation methodologies at December 31, 2025 and 2024.

Common stock: The fair value of shares of stock in the Company is based on an independent appraisal. See description of the valuation method disclosed in Note 8.

Interest-bearing cash: The fair value of the money market fund is based on quoted net asset value of the shares held by the Plan at year-end. The money market fund is valued at the daily closing price reported by the fund.

Note 8. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2025 and 2024:

	Assets at Fair Value as of December 31, 2025			
	Level 1	Level 2	Level 3	Total
Investment in common stock of Building Material Distributors, Inc.	$ -	$ -	$ 87,463,433	$ 87,463,433
Interest-bearing cash	89,425	-	-	89,425
Total assets at fair value	$ 89,425	$ -	$ 87,463,433	$ 87,552,858

	Assets at Fair Value as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Investment in common stock of Building Material Distributors, Inc.	$ -	$ -	$ 154,120,662	$ 154,120,662
Interest-bearing cash	70,966	-	-	70,966
Total assets at fair value	$ 70,966	$ -	$ 154,120,662	$ 154,191,628

Changes in fair value of Level 3 assets: To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another.

Plan management evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2025, there were no transfers in or out of Level 3.

The following table sets forth a summary of additions to and deductions from the Plan's Level 3 assets for the year ended December 31, 2025:

	Common Stock
Shares purchased (12,185 shares)	$ 5,460,018
Shares received from employer (7,500 shares)	3,360,750
Shares distributed (19,710 shares)	(15,587,828)

The following table represents the Plan's Level 3 financial instruments at December 31, 2025 and 2024, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs:

Description	2025 Fair Value	2024 Fair Value	Principal Valuation Technique	Unobservable Inputs
Common stock, Building Material Distributors, Inc.	$ 87,463,433	$ 154,120,662	Appraisal—discounted cash flow (income approach)	Fair value of Building Material Distributors, Inc.'s net worth
				Discount for lack of marketability
				Long-term growth rate
				Weighted-average cost of capital

Note 8. Fair Value Measurements (Continued)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate. 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.

Note 9. Related-Party and Party-In-Interest Transactions

The Plan invests in Company common stock and has indebtedness to the Company. This investment and transaction qualify as party-in-interest transactions which are exempt from the prohibited transaction rules under ERISA. As discussed in Note 1, another plan sponsored by the Plan Sponsor, the BMD 401k Plan, has provisions whereby the safe harbor matching contributions on its participants' 401(k) deferral contributions are contributed to this Plan each year. This consisted of a contribution of approximately 1,090 shares of the common stock of Building Material Distributors, Inc. along with approximately 2,626 shares released as part of the Company's regular contribution, allocated to the respective participants' accounts.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Schedule H, Line 4i—Schedule of Assets (Held at End of Year)
December 31, 2025

Employer Identification Number: 95-3926637
Plan Number: 003

(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
Nonparticipant-directed:				
		Common Stock:		
	Building Material Distributors, Inc.*	Building Material Distributors, Inc. 195,188 shares	$ 64,471,801	$ 87,463,433
		Interest-Bearing Cash:		
	Alerus Financial, N.A.	Alerus Money Market Fund	89,425	89,425
				$ 87,552,858

*Party-in-interest

The above information has been certified by Alerus Financial, N.A., the custodian, to be complete and accurate.

Building Material Distributors, Inc. Employee Stock Ownership Plan and Trust

Schedule H, Line 4j—Schedule of Reportable Transactions
For the Year Ended December 31, 2025

Employee Identification Number: 95-3926637
Plan Number: 003

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Series of transactions:								
Alerus Financial, N.A	Money market account	$ 11,947,855	$ 11,947,855	$ -	$ -	$ 11,947,855	$ 11,947,855	$ -
Alerus Financial, N.A	Money market account	11,929,396	11,929,396	-	-	11,929,396	11,929,396	-
Single transactions:								
Alerus Financial, N.A	Money market account	9,628,310	9,628,310	-	-	9,628,310	9,628,310	-
Alerus Financial, N.A	Money market account	9,221,080	9,221,080	-	-	9,221,080	9,221,080	-

*Party-in-interest

The above information has been certified by Alerus Financial, N.A., the custodian, to be complete and accurate.