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
ZXP TECHNOLOGIES 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 02/15/2007

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
ZXP TECHNOLOGIES, LLC

409 EAST WALLISVILLE ROAD
HIGHLANDS, TX 77562

2b Employer Identification Number (EIN)
82-3670111

2c Plan Sponsor's telephone number
832-451-2195

2d Business code (see instructions)
324190

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.	10/14/2026	MICHAEL STANDLEY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
4	If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:	**4b**	EIN
a	Sponsor's name	**4d**	PN
c	Plan Name		

5	Total number of participants at the beginning of the plan year	**5**	283
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)**	233
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	262
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	37
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	299
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	299
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)**	108
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)**	107
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.	**6h**	0
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:

2A 2E 3D 2G 2J 2K 2F 2T

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 _____
- **(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
ZXP TECHNOLOGIES 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ZXP TECHNOLOGIES, LLC

D Employer Identification Number (EIN)
82-3670111

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).. . . . . [X] 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

THE VANGUARD GROUP, INC.

23-1945930

(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)

THE VANGUARD GROUP, INC.

23-1945930

(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?
99 37 64 15 60 52 68 50	NONE	17240	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

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

MMA SECURITIES, LLC

PO BOX 9496
NEW YORK, NY 10087-4496

(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?
27 50	NONE	13487	Yes [ ] No [X]	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

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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
ZXP TECHNOLOGIES 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ZXP TECHNOLOGIES, LLC

D Employer Identification Number (EIN)
82-3670111

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	111323	140434
(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)	5183556	5884129
(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)		
(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	5294879	6024563
Liabilities			
1g Benefit claims payable	1g		
1h Operating payables	1h		
1i Acquisition indebtedness	1i		
1j Other liabilities	1j		
1k Total liabilities (add all amounts in lines 1g through1j)	1k		
Net Assets			
1l Net assets (subtract line 1k from line 1f)	1l	5294879	6024563

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)	195593	
(B) Participants	2a(1)(B)	349901	
(C) Others (including rollovers)	2a(1)(C)	40000	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		585494
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	11253	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		11253
(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)	132471	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		132471
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		713167
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		1442385
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	681973	
(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)		681973
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)	17241	
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)	13487	
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines **2i(1)** through **(11)**	2i(12)		30728
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		712701
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		729684
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: PKF OF TEXAS, P.C. **(2)** EIN: 76-0356844

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	**4a**		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e Was this plan covered by a fidelity bond?	**4e**	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	**4j**		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	**4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? [ ] Yes [X] No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

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

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

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

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

OMB No. 1210-0110

2025

This Form is Open to Public Inspection.

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

A Name of plan
ZXP TECHNOLOGIES 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ZXP TECHNOLOGIES, LLC

D Employer Identification Number (EIN)
82-3670111

Part I Distributions

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... | 1 | 0

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

EIN(s): 45-0404698

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 06 / 30 / 2020 (MM/DD/YYYY) and the Opinion Letter serial number Q703678A .

ZXP Technologies LLC

Consolidated Financial Statements

December 31, 2024

ZXP Technologies LLC

December 31, 2024

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INDEPENDENT AUDITORS' REPORT

To the Member of
ZXP Technologies LLC

Opinion

We have audited the accompanying consolidated financial statements of ZXP Technologies LLC and Subsidiaries (the "Company") (a Delaware limited liability company), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations, changes in member's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 generally accepted auditing standards 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 consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Company'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Pannell Kerr Forster of Texas, P.C.

April 30, 2025

ZXP Technologies LLC

Consolidated Balance Sheets

	December 31, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	$ 7,844,438	$ 45,965
Accounts receivable, net	20,409,223	13,642,537
Inventory, net	15,324,503	11,521,185
Prepaid expenses and other current assets	461,168	565,877
Total current assets	44,039,332	25,775,564
Property and equipment, net	35,274,368	37,083,743
Right-of-use-assets - operating leases	2,028,576	2,523,854
Right-of-use-assets - finance leases	6,696	242,033
Goodwill, net	3,681,465	4,197,446
Total assets	$ 85,030,437	$ 69,822,640
Liabilities and Member's Equity		
Current liabilities		
Accounts payable	$ 25,373,906	$ 7,251,958
Accrued expenses	4,184,323	4,336,857
Revolving lines of credit	-	18,633,884
Current portion of contract liabilities	318,692	318,692
Current portion of lease liabilities - operating leases	516,911	443,922
Current portion of lease liabilities - finance leases	7,220	256,452
Total current liabilities	30,401,052	31,241,765
Line of credit	4,024,548	-
Deferred gain	29,756,708	-
Contract liabilities, net of current portion	2,856,703	3,178,062
Long-term lease liabilities - operating leases, net of current portion	1,595,014	2,115,045
Long-term lease liabilities - finance leases, net of current portion	-	7,220
Total liabilities	68,634,025	36,542,092
Commitments and contingencies		
Member's equity	16,396,412	33,280,548
Total liabilities and member's equity	$ 85,030,437	$ 69,822,640

See accompanying notes to consolidated financial statements.

ZXP Technologies LLC

Consolidated Statements of Operations

	Year Ended December 31,	
	2024	2023
Revenues	$ 129,213,850	$ 167,490,771
Cost of sales	114,478,112	150,410,585
Gross profit	14,735,738	17,080,186
Operating expenses		
Selling, general and administrative expense	11,938,364	10,832,516
Depreciation and amortization expense	5,362,519	4,595,353
Total operating expenses	17,300,883	15,427,869
Operating income (loss)	(2,565,145)	1,652,317
Other income (expense)		
Other income	365,151	-
Interest expense and other charges	(3,129,875)	(2,229,784)
Total other expense, net	(2,764,724)	(2,229,784)
Loss before state income taxes	(5,329,869)	(577,467)
State income taxes	(283,987)	(218,723)
Net loss	$ (5,613,856)	$ (796,190)

See accompanying notes to consolidated financial statements.

ZXP Technologies LLC

Consolidated Statements of Changes in Member's Equity

Years Ended December 31, 2024 and 2023

	Total Member's Equity
Balance, December 31, 2022	$ 34,136,738
Repurchase of membership units	(60,000)
Net loss	(796,190)
Balance, December 31, 2023	33,280,548
Distribution	(11,270,280)
Net loss	(5,613,856)
Balance, December 31, 2024	$ 16,396,412

See accompanying notes to consolidated financial statements.

ZXP Technologies LLC

Consolidated Statements of Cash Flows

	Year Ended December 31,	
	2024	2023
Cash flows from operating activities:		
Net loss	$ (5,613,856)	$ (796,190)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Bad debt expense	269,986	209,000
Change in reserve for obsolete inventory	(131,000)	331,000
Depreciation and amortization	5,362,519	4,595,353
Amortization of debt issuance costs	161,324	121,737
Employee retention credits	-	4,861,077
Changes in operating assets and liabilities:		
Accounts receivable	(7,036,672)	5,092,944
Inventory	(3,672,318)	9,440,561
Prepaid expenses and other current assets	104,709	(287,120)
Accounts payable	18,121,948	(18,361,631)
Accrued expenses	(194,474)	(1,504,019)
Contract liabilities	(321,359)	(456,359)
Operating lease obligations	48,236	19,152
Net cash provided by operating activities	7,099,043	3,265,505
Cash flows from investing activities:		
Payments on construction in progress	(2,801,826)	(2,423,498)
Net cash used in investing activities	(2,801,826)	(2,423,498)
Cash flows from financing activities:		
Net payments on lines of credit	(14,770,660)	(616,399)
Payments on finance lease obligations	(256,452)	(282,986)
Proceeds from deferred gain on sale leaseback	30,000,000	-
Payments on deferred gain on sale leaseback	(201,352)	-
Repurchase of membership units	-	(60,000)
Distribution payment	(11,270,280)	-
Net cash provided by (used in) financing activities	3,501,256	(959,385)
Net increase (decrease) in cash and cash equivalents	7,798,473	(117,378)
Cash and cash equivalents, beginning of year	45,965	163,343
Cash and cash equivalents, end of year	$ 7,844,438	$ 45,965

See accompanying notes to consolidated financial statements.

ZXP Technologies LLC

Consolidated Statements of Cash Flows (Continued)

	Year Ended December 31,	
	2024	2023
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 1,172,927	$ 1,746,587
Cash paid for state taxes	$ 291,050	$ 291,050
Non-cash investing and financing activities:		
Transfer of construction in progress to property and equipment	$ 2,171,430	$ 8,337,093
Right-of-use assets obtained in exchange for finance lease obligations	$ -	$ 202,456

See accompanying notes to consolidated financial statements.

ZXP Technologies LLC

Notes to Consolidated Financial Statements

December 31, 2024

Note 1 - Organization and Nature of Business

ZXP Technologies LLC and Subsidiaries (the "Company") is a Delaware limited liability company formed on December 7, 2017. The Company began operations on February 16, 2018 upon executing an Asset Purchase Agreement and the simultaneous sale of membership units. The Company is in the business of manufacturing, blending and packaging and distributing oil-based and synthetic lubricants.

Note 2 - Summary of Significant Accounting Policies

Basis of accounting

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Principles of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, ZXP Logistics, LLC and Maverick Performance Products LLC. All significant intercompany transactions and accounts have been eliminated upon consolidation.

Use of estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include all highly liquid instruments with a maturity of three months or less at time of purchase.

Accounts receivable

Accounts receivable consists of trade receivables for the sale of finished goods and tolling services and are stated at the amount billed to customers. The Company evaluates receivables on an ongoing basis and considers client relationships, financial condition and previous payment histories. Estimated losses are provided through the allowance for credit losses, when it is determined that an account is not collectible. Management established an allowance for credit losses of $359,208 and $74,503 at December 31, 2024 and 2023, respectively.

Note 2 - Summary of Significant Accounting Policies (Continued)

Accounts receivable (continued)

During the year, the Company will on occasion sell its receivables related to one customer on a non-recourse basis. Pursuant to the Receivables Purchase Agreement, the Company does not maintain effective control over the transferred receivables, and therefore accounts for these transfers as sales of receivables. The Company sold $9,313,167 and $9,254,284 of its receivables without recourse and received cash funding during the year ended December 31, 2024 and 2023, respectively. Costs associated with the sales of the receivables approximated $512,575 and $582,948 during the years ended December 31, 2024 and 2023, respectively, and are reflected in the Company's consolidated statements of operations within interest expense and other charges for the periods in which the sales occur.

Inventory

Inventory consists of various fluids, lubricants, packaging and finished goods. All inventory is carried at the lower of average cost or net realizable value, utilizing the first-in, first-out basis.

Inventory is reviewed on an ongoing basis for obsolescence, and inventory items determined to be obsolete or slow moving are reduced to their estimated realizable value. A reserve for obsolete and slow-moving inventory is determined based on the age of the inventory. At December 31, 2024 and 2023, management determined a reserve for obsolete inventory of $200,000 and $331,000, respectively, was required.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives for specific types of property and equipment are as follows:

Asset	Estimated useful lives
Buildings and improvements	15 - 39 years
Machinery and equipment	5 - 10 years
Furniture and fixtures	5 - 10 years
Vehicles	5 years

Expenditures for repairs and maintenance are expensed as incurred. Major improvements that extend the life of an asset are capitalized and depreciated over the remaining useful life of the asset. When property and equipment are sold, retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the respective accounts and the resulting gain or loss is reflected in operations.

Note 2 - Summary of Significant Accounting Policies (Continued)

Impairment of long-lived assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the carrying amount of the asset exceeds its estimated undiscounted net cash flows less the cost of disposal, an impairment loss is recognized equal to the difference between its carrying amount and its estimated fair value. Long-lived assets were assessed for impairment, and it was determined there was no impairment required at December 31, 2024 and 2023.

Goodwill

Goodwill is recorded based on the excess of the purchase price of acquisitions over the fair value of the net assets acquired and represents synergies expected to be gained through the acquisition, and other intangibles which do not qualify for recognition. The Company elected the private company guidance and is amortizing goodwill on a straight-line basis over a 10-year period. Impairment is assessed only upon the occurrence of a triggering event. There were no impairment charges for the years ended December 31, 2024 or 2023.

The Company also elected the guidance that simplifies private company accounting for intangible assets acquired in a business combination. The guidance provides private companies the option not to recognize and measure: a) customer-related intangible assets (unless they are capable of being sold or licensed independent from other assets of the business) and b) noncompetition agreements. Instead, the value of these intangibles is subsumed into goodwill.

Leases

The Company recognizes and measures its existing leases in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2016-02, Leases. The Company determines if an arrangement is a lease at inception and assesses lease classification as either operating or finance at inception or upon modification. An operating lease may include fixed escalation clauses, renewal options and/or termination options that are factored into the determination of the lease term and lease payments when appropriate. At December 31, 2024, operating lease right-of-use ("ROU") assets and lease liabilities included real estate leases for office and shop yard space. Finance lease right-of-use assets and lease liabilities included vehicles.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of fixed lease payments over the lease term. Operating lease right-of-use assets are amortized so that lease costs remain constant over the lease term. Finance lease right-of-use assets are amortized on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

The Company elected the practical expedient, which permits the Company not to reassess prior conclusions about lease identification, lease classification, and initial direct costs.

Note 2 - Summary of Significant Accounting Policies (Continued)

Leases (continued)

The following accounting policy elections were made in connection with the ASU:

Short-term leases – The Company has elected to not apply the guidance to leases with terms of 12 months or less. Instead, these leases are recognized as expense on a straight-line basis over the lease term.

Discount rates – The Company elected to use the explicit rate in the leases or the risk-free interest rate if the explicit rate is not available.

Lease and non-lease components – The Company has elected the practical expedient to not separate lease and non-lease components.

Debt issuance costs

Debt issuance costs incurred in connection with the issuance of debt are capitalized and amortized using the straight-line method, which approximates the effective interest method, over the expected term of the related debt agreement. Debt issuance costs are presented as a direct deduction from the carrying value of the associated debt.

Income taxes

The Company has elected under the Internal Revenue Code to be a limited liability company taxed as a partnership, whereby in lieu of corporate income taxes, the member of a limited liability company is taxed on their proportionate share of the Company's taxable income or loss. The Company is subject to a Texas margin tax, and accordingly, a provision for Texas margin tax has been recorded for the years ended December 31, 2024 and 2023.

The Company recognizes the impact from an uncertain tax position only if that position is more likely than not of being sustained upon examination by the taxing authority, based on the technical merits of the position. However, should the Company be subject to examination by the taxing authority, any adjustments required would be passed through to the member. The Company will account for interest and penalties relating to uncertain tax provisions in the current period statement of operations, as necessary.

Financial instruments and concentration of credit risk

Financial instruments which potentially subject the Company to credit risk primarily include cash and cash equivalents and accounts receivable. Cash is deposited in demand accounts in federally insured domestic institutions to minimize risk. From time to time, the balances in these accounts may exceed federally insured limits. The Company has not incurred losses related to these deposits. The Company extends credit to domestic customers based on established terms and limits and, generally, does not require collateral.

Note 2 - Summary of Significant Accounting Policies (Continued)

Financial instruments and concentration of credit risk (continued)

For the year ended December 31, 2024, the Company had two customers that accounted for approximately 53% of total revenue and 61% of total accounts receivable. For the year ended December 31, 2023, the Company had two customers that accounted for approximately 59% of total revenue and 30% of total accounts receivable. For both periods, one of these customers is among the world's largest energy companies and another is a well-established industrial supply company, which limits credit risk due to their financial resources; however, the loss of these customers would have a material impact on the operating results of the Company until such time that new customers are obtained to replace them.

For the year ended December 31, 2024, the Company had one vendor, which is also the above referenced energy customer, that accounted for approximately 35% of its total purchases and 58% of total accounts payable. For the year ended December 31, 2023, the Company had this same vendor, that accounted for approximately 46% of its total purchases and 17% of total accounts payable.

Fair value of financial instruments

A three-level valuation hierarchy for disclosure of fair value measurements categorizes assets and liabilities measured at fair value into one of three different levels depending on the observability of the inputs employed in the measurement. Level 1 inputs include observable inputs such as quoted prices in active markets at the measurement date for identical, unrestricted assets and liabilities. Level 2 inputs include inputs that are observable directly or indirectly such as quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability. Level 3 inputs include unobservable inputs for which there is little or no market data and which the Company may include its own assumptions about how market participants would price the assets and liabilities.

The valuation techniques that may be used to measure fair value are based on (i) prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities (market approach); (ii) valuation techniques to convert future amounts to a single present amount based on current market expectations about those future amounts, including present value techniques, option pricing models and excess earnings methods (income approach); (iii) and the replacement cost, which is the amount that currently would be required to replace the service capacity of an asset (cost approach).

Revenue recognition

The Company recognizes revenue when it satisfies performance obligations and transfers promised goods or services to customers in an amount that reflects what it expects in exchange for the goods or services. Incremental costs of obtaining a contract are expensed as incurred.

Note 2 - Summary of Significant Accounting Policies (Continued)

Revenue recognition (continued)

Turnkey and branded sales are manufactured product sales whereby the Company recognizes revenues when earned which is at the time of shipment. These revenues are recognized at a point in time. Tolling represents service sales. The Company recognizes revenue as services are rendered. As performance obligations are satisfied, revenue is recognized at a point in time. Accrued revenue represents revenues earned but not yet invoiced to customers. Within accounts receivable there was $356,780 and $3,316 of accrued revenue at December 31, 2024 and 2023, respectively. Revenue is recognized net of returns and allowances. In addition, the Company's contracts generally do not contain variable consideration and modifications are generally minimal.

The following table shows the Company's disaggregated revenues by product line for the years ending December 31:

	2024	2023
Turnkey	$ 55,416,950	$ 82,028,095
Branded sales	54,892,460	65,469,501
Tolling	18,941,002	19,818,517
Other	2,098	223,474
Sales discounts	(38,660)	(48,816)
Total	$ 129,213,850	$ 167,490,771

The following table shows the Company's accounts receivable as of December 31, 2024, December 31, 2023, and January 1, 2023:

	December 31, 2024	December 31, 2023	January 1, 2023
Accounts receivable and accrued unbilled revenue	$ 20,409,223	$ 13,642,537	$ 18,944,481

Advertising costs

The Company expenses advertising cost as incurred. Advertising costs included within selling, general and administrative expenses totaled $477,122 and $645,558 for the years ended December 31, 2024 and 2023, respectively.

Note 3 - Inventory

Inventory consists of the following:

	December 31, 2024	December 31, 2023
Raw materials	$ 5,002,339	$ 2,707,858
Work in process	443,974	395,186
Finished goods	9,967,229	8,749,141
Inventory in transit	110,961	-
	15,524,503	11,852,185
Less: inventory reserve	(200,000)	(331,000)
Inventory, net	$ 15,324,503	$ 11,521,185

Note 4 - Property and Equipment

Property and equipment consist of the following:

	December 31, 2024	December 31, 2023
Land	$ 4,256,737	$ 4,256,737
Buildings and improvements	17,629,687	17,629,687
Machinery and equipment	34,304,585	32,148,800
Furniture and fixtures	408,853	408,853
Vehicles	70,585	54,940
	56,670,447	54,499,017
Less: accumulated depreciation and amortization	(24,969,428)	(20,358,228)
Construction in progress	3,573,349	2,942,954
Property and equipment, net	$ 35,274,368	$ 37,083,743

Depreciation expense was $4,611,200 and $3,802,122 for the years ended December 31, 2024 and 2023, respectively.

Note 5 - Leases

The Company uses the estimated incremental borrowing rate at the time of the lease agreement when there is not a discount rate specified or implicit to the lease. The weighted average discount rates and remaining lease terms for operating and finance leases were as follows as of December 31:

	2024	2023
Discount rate - operating	5.75%	5.75%
Discount rate - finance	8.00%	8.57%
Weighted average term - operating	3.58	4.50
Weighted average term - financing	0.08	0.90

The components of lease expense were as follows for the years ended December 31:

	2024	2023
Operating lease cost	$ 628,643	$ 628,643
Finance lease cost:		
Amortization of right-of-use assets	235,337	275,346
Interest on lease liabilities	8,921	31,994
Total lease cost	$ 872,901	$ 935,983

The Company's future minimum lease payment requirements for noncancelable operating and finance leases are as follows at December 31, 2024:

	Operating Leases	Finance Lease
2025	$ 622,045	$ 7,220
2026	645,371	-
2027	669,573	-
2028	398,997	-
Total future minimum lease payments	2,335,986	7,220
Less: amount representing discount to present value	(224,061)	-
Total lease liabilities	2,111,925	7,220
Less: current portion	(516,911)	(7,220)
Long-term lease liability	$ 1,595,014	$ -

For the years ended December 31, 2024 and 2023, rent expense for short-term leases not recognized as ROU assets and lease liabilities was $881,333 and $1,094,713, respectively. The Company leases various equipment on a month-to-month basis and has assessed these for insignificant penalty clauses and other automatic rollover provisions and determined they do not qualify for recording an ROU asset.

Note 5 - Leases (Continued)

Deferred gain

During March 2024, the Company entered into a sale leaseback transaction (the "Transaction") for its land and buildings located in Highlands, TX. The land and buildings were sold for $30,000,000. Approximately $14,000,000 and $5,000,000 was used to paydown the Revolver and Second Revolver, respectively. Approximately $850,000 was used to pay transaction and other related fees. In conjunction with the Transaction, the Company entered into a twenty-year lease, with the option of four five-year extensions. The initial annual base rent will be $2,625,000 with annual rent escalations in April of each year. The transaction was determined to be a "failed sale" according to ASC 842 – Leases and the proceeds were recorded as a deferred gain. The Company reduces the deferred gain as lease payments are made over the term of the agreement. Interest expense of $1,795,624 on the deferred gain was recorded for the year ended December 31, 2024 within the interest expense and other charges in the consolidated statements of operations.

Note 6 - Goodwill

As of December 31, 2024 and 2023, goodwill totaled $3,681,465 and $4,197,446, respectively. Accumulated amortization was $1,629,439 and $1,113,458, and amortization expense was $515,981, for the years ended December 31, 2024 and 2023, respectively.

Estimated future amortization expense of goodwill for the five years subsequent to December 31, 2024 and thereafter is as follows:

Year Ending December 31,	Goodwill
2025	$ 531,090
2026	531,090
2027	531,090
2028	531,090
2029	531,090
Thereafter	1,026,015
Total	$ 3,681,465

Note 7 - Debt

Credit facility

In November 2021, the Company refinanced its credit facility with a financial institution to pay off existing debt and enter into a new revolving line of credit (the "Revolver") which was scheduled to mature on November 19, 2024. The Revolver had a maximum borrowing capacity of $20,000,000, subject to borrowing base calculations, which was subsequently increased to $25,000,000 during March 2022. Payments on the revolver were due in monthly payments of interest only. Interest was based on the bank's prime rate plus .25%, with a minimum of 3.00%. During March 2024, the credit facility was paid in full and closed.

Note 7 - Debt (Continued)

In December 2022, the Company entered into a second revolving line of credit (the "Second Revolver") with this same financial institution that was also scheduled to mature on November 19, 2024. The Second Revolver had a maximum borrowing capacity of $5,000,000, subject to borrowing base calculations. Payments on the revolver were due in monthly payments of interest only. Interest was based on the bank's prime rate plus .25%, with a minimum of 3.00%. During March 2024, the credit facility was paid in full and closed.

In July 2024, the Company entered into a new revolving line of credit (the "New Revolver") with a financial institution which matures on July 18, 2028. The New Revolver has a maximum borrowing capacity of $20,000,000, subject to borrowing base calculations. Payments on the New Revolver are due in monthly payments of interest only. Interest is based on the banks base rate plus 1.25%, or Secured Overnight Financing Rate plus 2.25%. At December 31, 2024, the interest rate was 6.73% with an outstanding balance of $4,024,548.

The Company is subject to customary restrictive and financial covenants. As of December 31, 2024, the Company was in compliance with these covenants.

Note 8 - Related Party Transactions

The Company is charged a quarterly management fee for services rendered by certain shareholders of the member. The Company incurred management fees of approximately $580,000 and $600,000 during the years ended December 31, 2024 and 2023, respectively. Additionally, the Company paid $300,000 of post-closing expenses related to the sale leaseback transaction disclosed in Note 5. These expenses are recorded within selling, general and administrative expenses in the consolidated statements of operations.

Note 9 - Member's Equity

Upon adoption of its limited liability company agreement (the "LLC Agreement"), the Company has established one class of membership units.

Allocation of member's net income and losses

Income and losses are allocated to the sole member in accordance with the LLC Agreement, generally, such that, if the Company was dissolved and liquidated distributions would be made in accordance with the capital account balance of the sole member, the resulting liquidating distributions would, as nearly as possible, be consistent with the distribution provision set forth below.

Distributions

In accordance with the LLC Agreement, net cash receipts shall be distributed to the member in the same proportion as income and losses. During 2024, the Company made a distribution to its members totaling $11,270,280.

Note 10 - Commitments and Contingencies

Production commitment

In conjunction with the original acquisition agreement, the Company assumed a contract with a customer whereby the Company will make available production capacity of ten million gallons per calendar year through December 31, 2026 and reduce the associated contracted fill rates with this customer by $0.085 per gallon for specific goods, as defined in the agreement. Under this contract, the Company received $1,000,000 as an advance payment for these future production capacity allocations and reductions in price in connection with the construction and completion of a new fill line of equipment. Revenue related to this advance payment was to be recognized on a straight-line basis over the ten-year contract period. During 2019, the production capacity was reduced to four million gallons per calendar year through the remainder of the term. The liability was proportionately decreased to account for the reduced capacity adjustment. At December 31, 2024 and 2023, the contract liability related to this agreement was $80,000 and $120,000, respectively, of which $40,000 is considered current and the remaining amount is included as a long-term contract liability in the accompanying consolidated balance sheets with the Company's remaining contract liabilities.

During May 2020, the Company entered into a contract with a customer whereby the Company will provide specialized blending, loadout, and packaging services through December 31, 2035. Under this contract, the Company received $4,180,387 as an advance payment for the future services and in connection with the construction and completion of specialized equipment. Revenue related to this advance payment will be recognized on a straight-line basis over the fifteen-year contract period, which commenced January 1, 2021. At December 31, 2024 and 2023, the contract liability related to this agreement was $3,175,395 and $3,496,754, respectively, of which $278,692 is considered current and the remaining amount is included as a long-term contract liability in the accompanying consolidated balance sheets with the Company's remaining contract liabilities.

Environmental regulation

The oil and gas industry has experienced increased scrutiny by federal and state agencies regarding environmental issues. The Company has not had any material fines as a result of inspections by the various agencies.

Sales tax

During 2022, the State of Texas Comptroller's office conducted a sales tax audit on the Company from February 1, 2018 to March 31, 2021 and claimed the Company underreported sales taxes, primarily related to equipment and other purchases, in the amount of approximately $935,000. During March 2023, the Company made a payment of approximately $206,000 towards uncontested sales taxes. The Company had accrued approximately $564,000 related to this matter at December 31, 2023.

In April 2025, the Company entered into a settlement agreement with the State of Texas Comptroller's office and has accrued approximately $324,000 at December 31, 2024 for the remaining settlement balance. The approximate $240,000 difference between the December 31, 2023 accrual and the settlement amount has been recognized within other income during 2024 in the accompanying consolidated statements of operations.

Note 10 - Commitments and Contingencies (Continued)

Sales tax (continued)

The ending settlement results in a total balance of $530,000 due to the State Comptroller of Texas no later than May 15, 2025. However, $206,000 was preemptively paid by the company in 2023. According to the settlement agreement, if the remaining balance is timely paid, any portion of the contested matter that remains unpaid is dismissed. The Company expects to pay the remaining balance in May 2025.

Litigation

The Company may be engaged in various claims and litigation arising from ordinary business operations. The Company provides for losses, if any, in the year in which they can be reasonably estimated. In the Company's opinion, there are currently no such matters outstanding that would have a material effect on the accompanying consolidated financial statements.

Note 11 - Employee Retirement Plan

The Company provides a 401(k) Retirement Savings Plan (the "Plan") to substantially all employees. The Plan allows participating employees to contribute up to 90% of their salaries on a pre-tax basis within prevailing Internal Revenue Service regulations.

The Company elected to be a "Safe Harbor" 401(k) plan by making non-elective matching contributions for all eligible participants who opt to make 401(k) salary deferrals. The Plan provides for safe harbor matching contributions for 100% of the amount of the employee's elective deferrals that do not exceed 3% of the employee's compensation for the Plan year, plus 50% of the amount of the employee's elective deferrals that exceed 3% of the employee's compensation but do not exceed 5% of the employee's compensation. All safe harbor contributions are fully and immediately vested with the participants. The Company made safe harbor contributions in the amount of $208,194 and $235,269 during the years ended December 31, 2024 and 2023, respectively.

The Company may also make a discretionary profit-sharing contribution each Plan year. In order for participants to qualify for the discretionary profit-sharing contribution, they must satisfy all of the eligibility requirements per the Plan agreement, complete at least 1,000 hours of service during the Plan year and be an employee of the Company on the last day of the Plan year. Those requirements are waived for death, disability or reaching the normal retirement age. No discretionary profit sharing contributions were made during the years ended December 31, 2024 and 2023, respectively.

Note 12 - Subsequent Events

Management has evaluated subsequent events through April 30, 2025, which is the date that the consolidated financial statements were available for issuance, and has determined that there are no additional subsequent events to be reported, other than the sales tax settlement in Note 10.

Attachment to 2025 Form 5500
Assets Held at Year End

Plan Name ZXP TECHNOLOGIES 401(K) PLAN
Plan Sponsor Name ZXP Technologies, LLC
EIN 82-3670111
PN 001

(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
	Vanguard	Vanguard MStar Total Stock Mkt Idx Adm	0	304,491
	Vanguard	Vanguard MStar Mid-Cap Index Fund Adm	0	43,341
	Vanguard	Vanguard MStar Mid-Cap Growth Index Adm	0	17,025
	DFA	DFA U.S. Targeted Value Portfolio I	0	56,613
	Vanguard	Vanguard MStar Small-Cap Index Fund Adm	0	10,533
	Vanguard	Vanguard MStar Small-Cap Growth Idx Adm	0	13,050
	Hartford	Hartford International Opportunities R6	0	7,436
	Vanguard	Vanguard Treasury Money Market	0	43,560
	Vanguard	Vanguard Short-Term Bond Index Adm	0	14,503
	Fidelity	Fidelity Advisor Total Bond Z	0	891
	Vanguard	Vanguard Total Intl Bond Index Adm	0	1,776
	DFA	DFA Inflation-Protected Sec Port I	0	8,765
	Vanguard	Vanguard Total Bond Market Index Adm	0	475
	Vanguard	Vanguard Total Intl Stock Index Adm	0	1,802
	Vanguard	Vanguard Equity Income Adm	0	4,397
	Vanguard	Vanguard Target Retirement 2065 Fund	0	80,767
	Vanguard	Vanguard Target Retirement 2060 Fund	0	105,043
	Vanguard	Vanguard Target Retirement 2055 Fund	0	598,188
	Vanguard	Vanguard Target Retirement 2050 Fund	0	422,286
	Vanguard	Vanguard Target Retirement 2045 Fund	0	137,857
	Vanguard	Vanguard Target Retirement 2040 Fund	0	508,200
	Vanguard	Vanguard Target Retirement 2035 Fund	0	446,753
	Vanguard	Vanguard Target Retirement 2030 Fund	0	1,141,035
	Vanguard	Vanguard Target Retirement 2025 Fund	0	1,548,646
	Vanguard	Vanguard Target Retirement Income Fund	0	96,967
	JP Morgan	JPMorgan Large Cap Growth R6	0	248,274
	MFS	MFS Mid Cap Value R6	0	21,457
	Participant's Loan Account	Various Rates and Maturities	0	140,434