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
ST CLOUD INDUSTRIAL PRODUCTS INC EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 02/01/1975

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)
ST CLOUD INDUSTRIAL PRODUCTS, INC.

25112 22ND AVE
SAINT CLOUD, MN 56301

2b Employer Identification Number (EIN)
41-0944776

2c Plan Sponsor's telephone number
320-257-1241

2d Business code (see instructions)
423400

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	JEFF BEHRENS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address [X] Same as Plan Sponsor

3b Administrator's EIN

3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:

a Sponsor's name

4b EIN

c Plan Name

4d PN

5	Total number of participants at the beginning of the plan year	**5**	275
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)**	226
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	234
b	Retired or separated participants receiving benefits	**6b**	23
c	Other retired or separated participants entitled to future benefits	**6c**	35
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	292
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	1
f	Total. Add lines **6d** and **6e**.	**6f**	293
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)**	273
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)**	292
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.	**6h**	28
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 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)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

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

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2025 Form M-1 annual report. If the plan was not required to file the 2025 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2025

This Form is Open to Public Inspection

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

A Name of plan
ST CLOUD INDUSTRIAL PRODUCTS INC EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ST CLOUD INDUSTRIAL PRODUCTS, INC.

D Employer Identification Number (EIN)
41-0944776

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)	2200000	2400000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	68796	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	54093	498988
(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)	2709911	2273018
(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)	35557000	42815500
(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	40589800	47987506
Liabilities			
1g Benefit claims payable	1g		
1h Operating payables	1h		
1i Acquisition indebtedness	1i	9521314	9209972
1j Other liabilities	1j	3695	90
1k Total liabilities (add all amounts in lines 1g through1j)	1k	9525009	9210062
Net Assets			
1l Net assets (subtract line 1k from line 1f)	1l	31064791	38777444

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)	3150000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		3150000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	66666	
(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)		66666
(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)	17173	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		17173
(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)	7258500	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		7258500

		(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)		315269
c Other income	2c		-68796
d Total income. Add all **income** amounts in column (b) and enter total	2d		10738812
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2673752	
(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)		2673752
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		347452
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)	4955	
(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)		
(12) Total administrative expenses. Add lines **2i(1)** through **(11)**	2i(12)		4955
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		3026159
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		7712653
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [X] Unmodified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

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

(1) [ ] DOL Regulation 2520.103-8 **(2)** [ ] DOL Regulation 2520.103-12(d) **(3)** [X] neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

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

(1) Name: CLIFTONLARSONALLEN LLP **(2)** EIN: 41-0746749

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
ST CLOUD INDUSTRIAL PRODUCTS INC EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ST CLOUD INDUSTRIAL PRODUCTS, INC.

D Employer Identification Number (EIN)
41-0944776

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): 33-6134835

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_____.

COLLABORATORS | COACHES | ADVOCATES | MENTORS
FRIENDS | VOLUNTEERS | REGULARS | DINERS | VISITORS
CPAs | CONSULTANTS | WEALTH ADVISORS | *NEIGHBORS*
COLLABORATORS | COACHES | ADVOCATES | MENTORS |
CONNOISSEURS | CUSTOMERS | TEACHERS |
| VOLUNTEERS |

ST. CLOUD INDUSTRIAL PRODUCTS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

FINANCIAL STATEMENTS AND
ERISA-REQUIRED SUPPLEMENTAL SCHEDULES

YEARS ENDED DECEMBER 31, 2025 AND 2024

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ST. CLOUD INDUSTRIAL PRODUCTS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
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INDEPENDENT AUDITORS' REPORT

Plan Administrator
St. Cloud Industrial Products, Inc.
Employee Stock Ownership Plan and Trust
St. Cloud, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of St. Cloud Industrial Products, Inc. Employee Stock Ownership Plan and Trust, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of December 31, 2025 and 2024, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of St. Cloud Industrial Products, Inc. Employee Stock Ownership Plan and Trust, as of December 31, 2025 and 2024, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about St. Cloud Industrial Products, Inc. Employee Stock Ownership Plan and Trust's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 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 St. Cloud Industrial Products, Inc. Employee Stock Ownership Plan and Trust'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 St. Cloud Industrial Products, Inc. Employee Stock Ownership Plan and Trust's ability to continue as a going concern for a reasonable period of time.

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

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) and schedule of reportable transactions as of and 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

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

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

St. Cloud, Minnesota
October 12, 2026

ST. CLOUD INDUSTRIAL PRODUCTS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2025 AND 2024

	2025			2024		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
ASSETS						
INVESTMENTS (AT FAIR VALUE)						
St. Cloud Industrial Products, Inc.						
Common Stock (at Estimated Fair Value)	25,559,798	17,255,702	42,815,500	20,508,263	15,048,737	35,557,000
Mutual Funds	2,273,018	-	2,273,018	2,709,911	-	2,709,911
Money Market Funds	498,988	-	498,988	54,093	-	54,093
Total Investments	28,331,804	17,255,702	45,587,506	23,272,267	15,048,737	38,321,004
RECEIVABLES						
Stock Releverage Receivable	-	-	-	68,796	-	68,796
Contribution Receivable	2,400,000	-	2,400,000	2,200,000	-	2,200,000
Total Receivables	2,400,000	-	2,400,000	2,268,796	-	2,268,796
Total Assets	30,731,804	17,255,702	47,987,506	25,541,063	15,048,737	40,589,800
LIABILITIES						
NOTE PAYABLE	-	9,209,972	9,209,972	-	9,521,314	9,521,314
ADMINISTRATIVE EXPENSES PAYABLE	1,570	-	1,570	-	-	-
Total Liabilities	1,570	9,209,972	9,211,542	-	9,521,314	9,521,314
NET ASSETS AVAILABLE FOR BENEFITS	$ 30,730,234	$ 8,045,730	$ 38,775,964	$ 25,541,063	$ 5,527,423	$ 31,068,486

See accompanying Notes to Financial Statements.

ST. CLOUD INDUSTRIAL PRODUCTS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025			2024		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
ADDITIONS TO NET ASSETS AVAILABLE FOR BENEFITS:						
Net Appreciation in Estimated Fair Value of Company Common Stock	$ 4,186,498	$ 3,072,004	$ 7,258,502	$ 3,996,892	$ 3,278,108	$ 7,275,000
Net Appreciation in Fair Value of Investments	315,268	-	315,268	222,665	-	222,665
Interest and Dividends	83,838	-	83,838	132,077	-	132,077
Company Contributions	2,418,715	658,794	3,077,509	2,200,000	-	2,200,000
Transfer for Loan Payment	-	-	-	-	711,464	711,464
Allocation of 1,010 and 1,369 Shares of Company Common Stock at December 31, 2025 and 2024, respectively, at Estimated Fair Value	865,039	-	865,039	973,205	-	973,205
Total Additions	7,869,358	3,730,798	11,600,156	7,524,839	3,989,572	11,514,411
DEDUCTIONS FROM NET ASSETS AVAILABLE FOR BENEFITS:						
Distributions to Participants	2,673,752	-	2,673,752	1,780,095	-	1,780,095
Administrative Expenses	6,435	-	6,435	-	-	-
Interest Expense	-	347,452	347,452	-	358,891	358,891
Transfer for Loan Payment	-	-	-	711,464	-	711,464
Allocation of 1,010 and 1,369 Shares of Company Common Stock at December 31, 2025 and 2024, respectively, at Estimated Fair Value	-	865,039	865,039	-	973,205	973,205
Total Deductions	2,680,187	1,212,491	3,892,678	2,491,559	1,332,096	3,823,655
NET INCREASE	5,189,171	2,518,307	7,707,478	5,033,280	2,657,476	7,690,756
NET ASSETS AVAILABLE FOR BENEFITS - BEGINNING OF YEAR	25,541,063	5,527,423	31,068,486	20,507,783	2,869,947	23,377,730
NET ASSETS AVAILABLE FOR BENEFITS - END OF YEAR	$ 30,730,234	$ 8,045,730	$ 38,775,964	$ 25,541,063	$ 5,527,423	$ 31,068,486

See accompanying Notes to Financial Statements.

NOTE 1 DESCRIPTION OF PLAN

The following description of the St. Cloud Industrial Products, Inc. Employee Stock Ownership Plan and Trust (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

St. Cloud Industrial Products, Inc. (the Company) established the Plan effective February 1, 1975. The Plan was last restated and amended effective January 1, 2024. The Plan is a defined contribution plan intended to constitute an employee stock ownership plan (ESOP) and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code (IRC). The Plan covers all employees of the Company and participating affiliates who have completed the eligibility requirements including the completion of one year of service (complete at least 1,000 hours of service) and attainment of age 18. New hires who are expected to complete 1,000 or more hours of service in their first year of employment will become participants retroactive to their date of hire if they are employed on December 31 of the Plan year in which they begin employment. New hires who are not expected to complete 1,000 hours of service in their first twelve months of employment do not become Participants unless they complete 1,000 hours of service in their first 12 months of employment or in a subsequent Plan Year. Such an individual becomes a Participant as of January 1 of the Plan Year in which they complete the service requirement. The Plan is designed to invest primarily in securities issued by the Company and is authorized to borrow money for such investments. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The Plan purchased Company common stock using the proceeds of notes payable to the Company and holds the stock in a trust established under the Plan (see Note 6). As the Plan makes debt payments, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the IRC.

The borrowing is collateralized by the unallocated shares of common stock and is guaranteed by the Company. The lender has no rights against shares of common stock once they are allocated to participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan as of and for the years ended December 31, 2025 and 2024 present separately the assets and liabilities and changes therein pertaining to:

(a) the accounts of employees with vested rights in allocated common stock (Allocated) and

(b) common stock not yet allocated to employees (Unallocated).

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

Contributions

Each year, the Company may contribute to the Plan up to 25% of covered compensation as determined annually by the Company's Board of Directors. Contributions may be in the form of shares of common stock or cash. Contributions for each year are never less than the amount required to enable the Plan to discharge its current obligations, without regard to whether some or all of such contribution may fail to qualify for an income tax deduction by the Company. In order to receive an allocation of Company contributions, a participant must complete 1,000 hours of service and be employed on the last day of the Plan year unless termination is due to death, disability or retirement. Contributions by Plan participants are not permitted by the Plan. Contributions are subject to certain Internal Revenue Service (IRS) limitations.

Participant Accounts

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 by the Trustee from the unallocated account and forfeitures of terminated participants' nonvested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation, as defined. Plan earnings or losses are allocated based on each participant's share of the investment at the beginning of the year, less distributions and withdrawals during the year. The benefit to which a participant is entitled is the benefit that can be provided by the participant's account.

Vesting

Vesting of participant's accounts is based on years of credited service with the Company. A participant's account becomes fully vested after the completion of six years of credited service with the Company, under a graded vesting schedule. A participant is fully vested upon reaching normal retirement age, death, or permanent disability.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to their account and is notified by the Trustee prior to the time that such rights are to be exercised. The Trustee is not permitted to vote any allocated share for which instructions have not been given by a participant. The trustee is required, however, to vote any unallocated shares on behalf of the collective best interest of Plan participants and beneficiaries.

Put Option

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

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation service 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 their account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participants who elect to diversify receive a cash distribution.

Payment of Benefits

Distributions from the Plan will be made in the form of a lump sum or installment after a participant retires, dies, or becomes disabled in the year following termination. If a participant terminates employment and the participant's account balance does not exceed $1,000, the Plan administrator will authorize a lump-sum payment without the participant's consent. If the balance of the terminated participant's account is between $1,000 and $7,000, the Plan Sponsor may authorize that the benefit payment be rolled into an individual retirement account in the participant's name. If the vested balance of the terminated participant's account does not exceed $25,000, the value will be paid in one lump-sum payment. For accounts greater than $25,000, the distribution will be made in substantially equal annual installments over a period of five years. Participants who terminate employment on or after attaining age 60 and whose vested Company Stock has been divested may elect to receive distributions from their vested account balance either in a lump-sum payment or in substantially equal annual installments over a five-year period.

Forfeited Accounts

Plan forfeitures are allocated to each 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 participants at December 31, 2025 and 2024 were $69,647 and $30,810, respectively. There were no balances in forfeited nonvested accounts at December 31, 2025 and 2024.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Allocations

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

Investment Valuation and Income Recognition

The shares of Company common stock are valued at estimated fair value. The other investments are valued at fair value. See Note 4 for discussion of fair value measurements.

Purchases and sales are recorded on a trade-date basis. Investment income is recorded on the accrual basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Benefit Payments

Benefits are recorded when paid.

Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of benefit payments are charged directly to the participant's account and are included in administrative expense.

Subsequent Events

The Plan has evaluated subsequent events through October 12, 2026, the date the financial statements were available to be issued.

NOTE 3 INVESTMENTS

The Plan's initial investment in Company securities consisted of 46,417 shares of the outstanding common stock of St. Cloud Industrial Products, Inc. The shares were acquired on December 31, 2013 for $25.22 per share, which was the estimated fair market value, as determined by independent appraisal, at that time. On August 1, 2014, the Plan purchased the remaining shares of St. Cloud Industrial Products, Inc., 3,583 shares for $125.00 per share, which was the estimated fair market value, as determined by independent appraisal, at that time. On December 31, 2019, St. Cloud Industrial Products, Inc. redeemed 10,960 shares of common stock. The Plan subsequently purchased the 10,960 shares of common stock from St. Cloud Industrial Products, Inc. on December 31, 2019 for $404.00 per share, which was the estimated fair market value, as determined by independent appraisal, at that time. On December 28, 2022, St. Cloud Industrial Products, Inc. redeemed 13,865 shares of common stock. The Plan subsequently purchased the 13,865 shares of common stock from St. Cloud Industrial Products, Inc. on December 28, 2022 for $450.00 per share, which was the estimated fair market value, as determined by independent appraisal, at that time. The estimated fair market value, as determined by independent appraisal as of December 31, 2025 and 2024 was $856.31 and $711.14 per share, respectively.

During 2025 and 2024, 1,010 and 1,369 shares, respectively, were released and allocated to participants.

The Plan’s investment in Company common stock at December 31 are presented in the following table:

	2025			2024		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
St. Cloud Industrial Products, Inc. Common Shares:						
Number of Shares	29,849	20,151	50,000	28,839	21,161	50,000
Cost	$ 1,082,877	$ 9,068,055	$ 10,150,932	$ 2,462,586	$ 7,688,346	$ 10,150,932
Market (at Estimated Fair Value)	$ 25,559,798	$ 17,255,702	$ 42,815,500	$ 20,508,263	$ 15,048,737	$ 35,557,000

NOTE 4 FAIR VALUE OF INVESTMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the valuation methodologies used at December 31, 2025 and 2024.

Company Common Stock: The fair value of the Company common stock held by the Plan is valued at fair value based on an independent third-party appraisal. This appraisal is based upon a combination of the market and income valuation techniques. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables and estimated fair value of Company assets and liabilities.

Money Market Funds: Valued at the daily closing price as reported by the fund which is $1.00.

NOTE 4 FAIR VALUE OF INVESTMENTS (CONTINUED)

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

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

	2025			
	Level 1	Level 2	Level 3	Total
St. Cloud Industrial Products, Inc. Common Stock	$ -	$ -	$ 42,815,500	$ 42,815,500
Mutual Funds	2,273,018	-	-	2,273,018
Money Market Fund	498,988	-	-	498,988
Total Investments at Fair Value	$ 2,772,006	$ -	$ 42,815,500	$ 45,587,506

	2024			
	Level 1	Level 2	Level 3	Total
St. Cloud Industrial Products, Inc. Common Stock	$ -	$ -	$ 35,557,000	$ 35,557,000
Mutual Funds	2,709,911	-	-	2,709,911
Money Market Funds	54,093	-	-	54,093
Total Investments at Fair Value	$ 2,764,004	$ -	$ 35,557,000	$ 38,321,004

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

	Company Common Stock	
	2025	2024
Purchases	$ -	$ -
Issuances	-	-
Transfers In	-	-
Transfers Out	-	-

NOTE 5 NOTES PAYABLE

On August 1, 2014, the Plan entered into a $447,899 term loan agreement with the Company. On December 31, 2019, the Plan entered into a $4,427,840 term loan agreement with the Company. On December 28, 2022, the Plan entered into a $6,239,616 term loan agreement with the Company. The proceeds of the loans were used to purchase the Company's common stock. Unallocated shares are collateral for the loans. Shares are released from collateral and allocated to participants as payments of principal and interest are made.

The Plan has notes payable related to the purchase of Company stock on December 31 as follows:

Description	2025	2024
Note payable - St. Cloud Industrial Products, Inc. interest is fixed at 2.09%, due December 31, 2039; secured by unallocated St. Cloud Industrial Products, Inc. common stock purchased with proceeds from this note and cash contributions from the Company.	$ 3,286,191	$ 3,486,516
Note payable - St. Cloud Industrial Products, Inc. interest is fixed at 4.55%, due December 31, 2052; secured by unallocated St. Cloud Industrial Products, Inc. common stock purchased with proceeds from this note and cash contributions from the Company.	5,923,781	6,034,798
Total Notes Payable	$ 9,209,972	$ 9,521,314

While the Company reserves the right to change the amounts and the timing of contributions to the Plan, the scheduled amortization of the Plan's loans and related Plan contributions for the next five years are as follows:

Year Ending December 31,	Amount
2026	$ 320,580
2027	330,136
2028	339,147
2029	350,212
2030	360,794
2031 and Thereafter	7,509,103

NOTE 6 PLAN TERMINATION

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC. Upon termination of the Plan, the Plan administrator shall direct the Trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed stock held in the loan suspense account to the extent it determines such a sale to be necessary in order to repay the loan. In the event of Plan termination, participants will become 100% vested in their accounts.

NOTE 7 PLAN TAX STATUS

The IRS has determined and informed the Company by a determination letter, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 8 RISKS AND UNCERTAINTIES

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

NOTE 9 RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

The Plan's assets, which consist primarily of Company common shares, are held by the trustee of the Plan. Company contributions are held and managed by the Trustee, which invests cash received, interest and dividends income and makes distributions to participants. The Trustee also administers the payment of interest and principal on the loan.

The Plan is administered by the Company and certain administrative functions are outsourced to a third-party administrator. Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

NOTE 10 RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 as of December 31:

	2025	2024
Net Assets Available for Benefits per Financial Statements	$ 38,775,964	$ 31,068,486
Distribution Fees Payable	-	(3,695)
Net Assets Available for Benefits per Form 5500	$ 38,775,964	$ 31,064,791

The following is a reconciliation of net increase per the financial statements to Form 5500 for the years ended December 31:

	2025	2024
Net Increase per Financial Statements	$ 7,707,478	$ 7,690,756
Change in Distribution Fees Payable	3,695	(2,210)
Net Increase per Form 5500	$ 7,711,173	$ 7,688,546

ST. CLOUD INDUSTRIAL PRODUCTS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
E.I.N. 41-0944776 PLAN NO. 001
SCHEDULE H, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2025

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
		Common Stock:		
*	St. Cloud Industrial Products, Inc.	50,000 Shares		
		Allocated - 29,849 shares	$ 1,082,877	$ 25,559,798
		Unallocated - 20,151 shares	9,068,055	17,255,702
		Total Common Stock	10,150,932	42,815,500
		Money Market Fund:		
*	First International	Insured Cash Sweep - Principal	498,988	498,988
		Mutual Funds:		
	Baird	Core Plus Bond Fund	280,432	249,246
	TCW	Total Return Bond Fund	318,258	249,127
	Aberdeen Funds	U.S. Small Cap Equity Fund	55,395	70,672
	Baird	Short-Term Bond Fund	36,183	35,403
	Fidelity	Overseas Fund	168,676	234,687
	FMI	International Fund	90,174	97,609
	Guggenheim	Total Return Bond	72,372	63,361
	MFS	Mid-Cap Growth Fund	44,648	55,644
	T. Rowe Price	Dividend Growth Fund	145,871	223,437
	Vanguard	Information Technology Index Fund	33,559	102,183
	Vanguard	Value Index Fund	51,060	81,851
	Invesco	Developing Markets Fund	99,822	74,025
	JPMorgan	Mid-Cap Value L Shares Fund	44,186	35,868
	Vanguard	S&P 500 Index Fund	274,172	579,704
	Vanguard	Small-Cap Index Fund	44,652	69,690
	Lazard	Global Infrastructure Fund	43,644	50,511
		Total Mutual Funds	1,803,102	2,273,018
		Total	$ 12,453,022	$ 45,587,506

* *Indicates party-in-interest*

ST. CLOUD INDUSTRIAL PRODUCTS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
E.I.N. 41-0944776 PLAN NO. 001
SCHEDULE H, LINE 4j—SCHEDULE OF REPORTABLE TRANSACTIONS
YEAR ENDED DECEMBER 31, 2025

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Identity of Party Involved	Asset/ Transaction	Purchase Price	Selling Price	Cost	Current Value	Net Gain (Loss)
Category (iii) - Series of Transactions in Excess of 5% of Plan Assets						
First International	Insured Cash Sweep - Principal Account					
	55 Purchases	$ 2,454,881	$ -	$ 2,454,881	$ 2,454,881	$ -
	5 Sales	-	2,009,986	2,009,986	2,009,986	-

There were no category (i), (ii) or (iv) transactions for the year ended December 31, 2025.



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ST. CLOUD INDUSTRIAL PRODUCTS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
E.I.N. 41-0944776 PLAN NO. 001
SCHEDULE H, LINE 4j—SCHEDULE OF REPORTABLE TRANSACTIONS
YEAR ENDED DECEMBER 31, 2025

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Identity of Party Involved	Asset/ Transaction	Purchase Price	Selling Price	Cost	Current Value	Net Gain (Loss)
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ST. CLOUD INDUSTRIAL PRODUCTS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
E.I.N. 41-0944776 PLAN NO. 001
SCHEDULE H, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2025

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*	St. Cloud Industrial Products, Inc.	50,000 Shares		
		Allocated - 29,849 shares	$ 1,082,877	$ 25,559,798
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	Invesco	Developing Markets Fund	99,822	74,025
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		Total Mutual Funds	1,803,102	2,273,018
		Total	$ 12,453,022	$ 45,587,506

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