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
SYSTEMS ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2007

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

120 EXCHANGE ST
STE 101
PORTLAND, ME 04101

2b Employer Identification Number (EIN)
01-0462643

2c Plan Sponsor's telephone number
207-772-3199

2d Business code (see instructions)
561110

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	ERIC TENNYSON
	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**	247
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)**	186
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	158
b	Retired or separated participants receiving benefits	**6b**	18
c	Other retired or separated participants entitled to future benefits	**6c**	62
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	238
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	238
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)**	223
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)**	238
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:

2O 2Q 3D 3I

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

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

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

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- **(4)** [ ] **DCG** (Individual Plan Information) – Number Attached _____
- **(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)** [ ] **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
SYSTEMS ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
SYSTEMS ENGINEERING, INC.

D Employer Identification Number (EIN)
01-0462643

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)	384612	54957967
(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)	381780	11381781
(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)	50379094	0
(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	51145486	66339748
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	51145486	66339748

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)	2076674	
(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)		2076674
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	31428	
(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)		31428
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	58846	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		58846
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	51350952	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	50379094	
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		971858
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	2150800	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		2150800

		(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)		-7475
c Other income	2c		14445830
d Total income. Add all **income** amounts in column (b) and enter total	2d		19727961
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4533699	
(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)		4533699
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)		
(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)		
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		4533699
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		15194262
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: ALBIN, RANDALL & BENNETT, CPAS **(2)** EIN: 01-0448006

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? [X] Yes [ ] No

If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.

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
SYSTEMS ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
SYSTEMS ENGINEERING, INC.

D Employer Identification Number (EIN)
01-0462643

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 | 2150800

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 06 / 30 / 2020 (MM/DD/YYYY) and the Opinion Letter serial number Q703494A .

SYSTEMS ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

FINANCIAL STATEMENTS

AND

SUPPLEMENTARY SCHEDULES

With Independent Auditors' Report

DECEMBER 31, 2025 AND 2024

Albin Randall & Bennett

ARBCPA.COM

SYSTEMS ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS:	
Statements of Net Assets Available for Benefits (Modified Cash Basis)	5
Statement of Changes in Net Assets Available for Benefits (Modified Cash Basis)	6
Notes to Financial Statements	7
SUPPLEMENTARY SCHEDULES:	
Schedule H, line 4j - Schedule of Reportable Transactions	16
Schedule H, line 4i - Schedule of Assets (Held at End of Year)	17

INDEPENDENT AUDITORS' REPORT

To the Administrative Committee
Systems Engineering, Inc. Employee Stock Ownership Plan:

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

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

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

Management has obtained certifications from a qualified institution as of December 31, 2025 and 2024, and for the year ended December 31, 2025, stating that the certified investment information, as described in Notes 4 and 9 to the financial statements, is complete and accurate.

Opinion

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

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with the modified cash basis.

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

Basis for Opinion

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

Emphasis of Matter — Basis of Accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 2, including determining that this basis of accounting is acceptable in the circumstances, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Systems Engineering, Inc. Employee Stock Ownership Plan's internal control. Accordingly, no such opinion is expressed.

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

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

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the modified cash basis of accounting.

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

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

The supplemental Schedule H, line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2025, and Schedule H, line 4j - Schedule of Reportable Transactions for the year ended December 31, 2025, are presented for purposes of additional analysis and are not required parts 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 included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the 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. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

In our opinion:

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

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

Albin, Randall & Bennett

October 13, 2026

SYSTEMS ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS (MODIFIED CASH BASIS)

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS:		
Cash	$ 54,957,967	384,612
Investments at fair value	11,381,781	50,760,874
Net assets available for benefits	$ 66,339,748	51,145,486

See accompanying notes to financial statements.

SYSTEMS ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS (MODIFIED CASH BASIS)

YEAR ENDED DECEMBER 31, 2025

ADDITIONS:	
Investment income:	
Interest and dividend income	$ 90,274
Net appreciation in the fair value of investments	3,115,183
S corporation distributions	14,445,830
Total investment income	17,651,287
Employer contributions	2,076,674
Total additions	19,727,961
DEDUCTIONS - Benefits paid to participants	4,533,699
Change in net assets available for benefits	15,194,262
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	51,145,486
Net assets available for benefits, end of year	$ 66,339,748

See accompanying notes to financial statements.

1. DESCRIPTION OF PLAN

The following description of the Systems Engineering, Inc. Employee Stock Ownership Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan provisions.

General - Systems Engineering, Inc. (the Plan Sponsor, or Company) established the Plan effective January 1, 2007. The Plan was originally established as a leveraged employee stock ownership plan (ESOP), designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (IRC), and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by an Administrative Committee comprising one or more individuals appointed by the Company's Board of Directors. The Trustee of the Plan is Spinnaker Trust, an independent Maine-chartered non-depository trust company.

On December 1, 2025, the Company was acquired by Lyra Technology Group, LLC. In connection with the transaction, the Trustee sold all employer securities held by the Plan. Concurrent with the acquisition, the Company adopted an amendment terminating the Plan effective December 2, 2025, and the Plan entered the termination process. As of December 31, 2025, the Plan's assets consisted primarily of cash and short-duration fixed income investments pending distribution to participants in accordance with the amended Plan document and applicable provisions of ERISA and the Internal Revenue Code.

Eligibility - Employees of the Company who had attained age 19 and completed at least one year of service were generally eligible to participate in the Plan. A year of service is defined as 1,000 hours of service. Generally, participants were required to complete at least 1,000 hours of service during the Plan year and be employed on the last day of the Plan year to receive an allocation of Company contributions, subject to the exceptions described below.

Effective January 1, 2025, the Plan was amended to provide that participants who had attained age 55 and completed 10 years of participation were exempt from certain employment and service requirements otherwise applicable for purposes of allocating employer contributions.

Contributions - The Company could make discretionary contributions to the Plan as determined by the Company's Board of Directors, subject to the limitations prescribed by the IRC. Employees are not permitted to make contributions. Under the termination amendment effective December 2, 2025, no further contributions are permitted with respect to Plan compensation earned on or after that date.

Voting rights - The Administrative Committee typically decided how shares of the Company common stock held by the Plan would be voted by the Trustee. In certain situations, the participants had the right to decide how shares of the Company common stock allocated to their accounts would be voted. The Trustee was required, however, to vote any unallocated shares in the collective best interest of Plan participants and beneficiaries.

1. DESCRIPTION OF PLAN, CONTINUED

Participant accounts - The Plan is a defined contribution plan under which a separate individual account was established for each participant. Each participant's account was credited with allocations of Company discretionary contributions, any forfeitures of terminated participants' non-vested balances, Company distributions, and Plan earnings. Allocations were based on a participant's eligible compensation relative to the total eligible compensation of participants. S corporation distributions attributable to allocated employer shares were credited to the corresponding participants' accounts. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance to the total account balances of all participants.

Vesting - Prior to the Plan's termination, participants vested under a six-year graded vesting schedule. Participants became 20% vested after two years of service, with an additional 20% vesting for each additional year of service until becoming fully vested after six years of service. Participants also became fully vested upon death, disability, or attainment of normal retirement age. Effective upon termination of the Plan on December 2, 2025, all participants became fully vested in their account balances in accordance with the Plan document.

Payment of benefits - Prior to the Plan's termination, benefits generally became payable upon a participant's retirement, death, disability, or other separation from service in accordance with the provisions of the Plan. Following adoption of the termination amendment, effective December 2, 2025, distributions will continue to be made in accordance with the amended Plan document and applicable law until all remaining Plan assets have been distributed.

Put option - Prior to the sale of all employer securities on December 1, 2025, employer stock distributed from the Plan that was not readily tradable was subject to a put option requiring the Company to repurchase distributed shares in accordance with the Plan document and applicable tax regulations.

Diversification - Diversification was offered to participants close to retirement so that they had the opportunity to move part of the value of their investment in Company common stock into investments which were more diversified. Participants who were at least age 55 with at least 10 years of participation in the Plan could elect to diversify a portion of their account. Diversification was offered to each eligible participant over a six-year period. In each of the first five years, a participant could diversify up to 25% of the number of Company shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changed to 50%. Participants who elected to diversify could receive a cash distribution or have the balance transferred to the Sponsor's 401(k) Plan.

Forfeitures - Employer contributions and Plan forfeitures were allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation of all Plan participants eligible to receive an allocation during the Plan year. Forfeitures of terminated non-vested account balances allocated to remaining participants totaled $26,841 for the year ended December 31, 2025.

1. DESCRIPTION OF PLAN, CONTINUED

Administration of plan assets - The trustee of the Plan holds the Plan's assets. Company contributions are held and managed by the trustee, which invests cash received, interest, and s corporation distribution income, if any. The trustee makes distributions to participants. Officers or employees of the Company perform certain administrative functions. No such officer or employee receives compensation from the Plan. As provided in the Plan document, administrative expenses may be paid either by the Plan or by the Company. Administrative expenses for the trustee's fees are paid directly by the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting - The accompanying financial statements are prepared on the modified cash basis of accounting, a basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). Under this basis, cash receipts and disbursements generally are recognized when received or paid, while investments are reported at fair value. Contractual rights to additional consideration from the sale of employer securities are not recognized as receivables; amounts received under those rights are recognized upon receipt. Significant potential differences from U.S. GAAP include the recognition of uncollected sale consideration and other receivables, unpaid obligations, and measurement requirements applicable to plan termination, to the extent those items would be recognized or measured differently under U.S. GAAP. Accordingly, amounts reported under the modified cash basis may differ materially from amounts reported under U.S. GAAP.

The Plan's previously issued 2024 financial statements were prepared in accordance with U.S. GAAP. For the accompanying financial statements, management elected the modified cash basis and has presented the December 31, 2024 comparative amounts on that same basis. No adjustment to previously reported net assets at December 31, 2024 was required as a result of this change.

Use of estimates - The preparation of financial statements in accordance with the modified cash basis requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. The most significant estimate relates to the fair value of investments. Actual results could differ from those estimates.

Investment valuation and income recognition - Investments are reported at fair value. Employer securities held during 2025 were valued based on the independent annual valuation of Company common stock. During 2025, the Plan disposed of all employer securities through the September 38,000-share redemption and the December 1, 2025 sale of the remaining shares in connection with the acquisition of the Company. Accordingly, the Plan held no employer securities at December 31, 2025. The per share fair value of employer securities was $56.60 at December 31, 2024. See Note 4 for a discussion of fair value measurements.

Investment income is recognized when received. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Benefit payments - Benefit payments are recorded when paid.

Subsequent events - Management has evaluated subsequent events through October 13, 2026, the date the financial statements were available to be issued. Subsequent to December 31, 2025, the Plan made significant distributions of participant account balances in accordance with the Plan's termination provisions. Additional consideration received in 2026 is described in Note 5.

3. INVESTMENT IN THE PLAN SPONSOR COMPANY STOCK

The Plan's non-participant directed investments in common shares of the Plan Sponsor at December 31 are as follows:

	2025	2024
Number of shares of common stock	-	890,090
Cost	$ -	5,008,184
Estimated fair value	$ -	50,379,094

On December 1, 2025, in connection with the acquisition of the Company by Lyra Technology Group, LLC, the Trustee sold all employer securities held by the Plan. The disposition was reflected in the Trustee's accounting records on December 2, 2025. Accordingly, the Plan held no employer securities at December 31, 2025.

4. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 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 to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

4. FAIR VALUE MEASUREMENTS, CONTINUED

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

The following is a description of the valuation methodologies used for investments measured at fair value during 2025 and 2024. There have been no changes in the methodologies used during the periods presented.

Plan sponsor common stock: Value was determined based on an independent annual appraisal. The appraisal was based on a combination of earnings, book value, and the financial condition of the Company. The Plan Administrator, under the supervision of the Company's Board of Directors and in conjunction with the Trustee, determined the fair value measurement policies and procedures. Those policies and procedures were reassessed at least annually to determine if the current valuation techniques remained appropriate. At that time, the unobservable inputs used in the fair value measurements were evaluated and adjusted, as necessary, based on current market conditions and other third-party information.

Exchange-traded fixed income funds: Valued using quoted market prices in active markets for identical securities. The exchange-traded funds held by the Plan are actively traded and are classified within Level 1 of the fair value hierarchy.

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

4. FAIR VALUE MEASUREMENTS, CONTINUED

The following table sets forth by level, within the fair value hierarchy, the Plan's fair value measurements at December 31, 2025 and 2024:

		Fair value measurements at reporting date using:		
	Total	Level 1	Level 2	Level 3
December 31, 2025				
Exchange-traded fixed income funds	11,381,781	11,381,781	-	-
Total	$ 11,381,781	11,381,781	-	-
December 31, 2024				
Plan Sponsor common stock	$ 50,379,094	-	-	50,379,094
Exchange-traded fixed income funds	381,780	381,780	-	-
Total	$ 50,760,874	381,780	-	50,379,094

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

Balance, beginning of year	$ 50,379,094
Realized/unrealized gain on employer securities	3,122,658
Share redemption	(2,150,800)
Sale of employer securities	(51,350,952)
Balance, end of year	$ -

During 2025, the Plan disposed of all employer securities, including a 38,000-share withdrawal from the Trust in September associated with participant benefits and the December 1, 2025 sale of the remaining shares in connection with the acquisition of the Plan Sponsor by Lyra Technology Group, LLC. Accordingly, the Plan held no Level 3 investments at December 31, 2025. Year-end investments consisted of exchange-traded fixed income funds classified within Level 1 of the fair value hierarchy.

4. FAIR VALUE MEASUREMENTS, CONTINUED

The Plan Sponsor common stock held by the Plan was reported at fair value based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior years, as illustrated in the following table.

Principal Valuation Technique	Unobservable Inputs
Income	EBITDA
	Net income
	Weighted average cost of capital
	Discount rates
	Discount for lack of marketability
Market	Public comparables
	Enterprise value
	EBITDA multiple
	Discount for lack of marketability

The valuation process involved the selection of an appraiser by the Trustee. Plan management accumulated the data for the appraiser from historical and projected financial information of the Company. The appraiser prepared a report of estimated fair value for the Plan Sponsor common stock, which was reviewed by Plan management and the Trustee. The Trustee was ultimately responsible for the final review and approval of the valuation.

5. PLAN TERMINATION AND SALE OF EMPLOYER SECURITIES

On December 1, 2025, the Trustee sold the Plan's remaining employer securities in connection with the acquisition of the Company by Lyra Technology Group, LLC. The Plan was amended to terminate effective December 2, 2025, at which time participants became fully vested. The Plan is distributing account balances in accordance with the amended Plan provisions, and a determination letter has been requested from the Internal Revenue Service on Form 5310. Consideration for the sale included cash received at closing, amounts placed in escrow, and contractual rights to additional consideration, as described below.

As part of the consideration for the sale, the Plan has a contractual right under the purchase agreement to receive a specified share of certain amounts if and when the Company receives distributions from, or proceeds from the sale of, three minority limited liability company interests excluded from the transaction. The Plan does not own those limited liability company interests; its interest is a contractual right to additional purchase consideration, reduced by specified expenses and contractual settlement fees. The purchase agreement also provides for additional consideration from certain vendor and supplier rebates attributable to pre-closing periods, subject to specified thresholds, deductions, and collection deadlines.

5. PLAN TERMINATION AND SALE OF EMPLOYER SECURITIES, CONTINUED

Under the Plan's modified cash basis of accounting, amounts attributable to these contractual rights are recognized when received. No amounts under these rights were received by the Plan during 2025; accordingly, no related amounts were recognized at December 31, 2025. On May 29, 2026, the ESOP Trust received $2,195,370 from the Company as additional consideration relating to the sale of the Company's membership interest in Treadstone LLC. This subsequent receipt will be recognized in 2026. The timing and amount of any additional receipts under these contractual rights remain uncertain.

At closing, $350,000 of the purchase consideration was deposited into two separate third-party escrow accounts: $100,000 for potential purchase-price adjustments and $250,000 for specified ESOP termination expenses. The Plan's rights under these arrangements are limited to any amounts that ultimately become payable to it under the purchase and escrow agreements; the $100,000 adjustment escrow may also be allocated in part to incentive holders. Based on the executed terms and counsel's advice, the Plan did not beneficially own the escrowed cash while held by PNC. No amounts from either escrow were received by the Plan during 2025, and no amounts relating to those conditional claims are recognized under the Plan's modified cash basis of accounting. Any subsequent receipts by the Plan will be recognized when received.

6. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

During 2025, the Plan held common stock of Systems Engineering, Inc. (the Company), the Plan's sponsoring employer and a party in interest under ERISA. The Company made S corporation distributions totaling $14,445,830 to the Plan during 2025.

On December 1, 2025, pursuant to a securities purchase agreement, the Trustee sold the Plan's remaining employer securities in connection with the acquisition of the Company by Lyra Technology Group, LLC (the Buyer). The Plan received cash consideration of $51,350,952 from the sale. Following the acquisition, the Buyer became the Company's parent and a party in interest to the Plan.

As described in Note 5, the purchase agreement provides for additional consideration arising from specified post-closing receipts and for separate escrow arrangements. The Company is required to remit specified amounts relating to the excluded limited liability company interests, reduced by permitted expenses and contractual settlement fees, including a 5% settlement fee withheld by the Company. The Plan did not receive these additional amounts during 2025, and they have not been recognized in the accompanying financial statements under the modified cash basis of accounting.

Certain administrative expenses of the Plan, including Trustee fees, are paid directly by the Company. Expenses paid directly by the Company are excluded from the accompanying financial statements. The Trustee and other Plan service providers are parties in interest under ERISA.

7. TAX STATUS

The Plan has adopted a non-standardized pre-approved plan for which the Internal Revenue Service has issued an opinion letter dated June 30, 2020, covering the qualification of the Plan under the appropriate sections of the Internal Revenue Code. Although the Plan has been amended since the date of the opinion letter, the Plan administrator believes the Plan is currently designed and being operated in compliance with the applicable requirements of the Code, and therefore the Plan is qualified and the related trust is tax-exempt. Accordingly, no provision for income taxes has been included in the Plan's financial statements.

8. RISKS AND UNCERTAINTIES

At December 31, 2025, the Plan's assets consisted primarily of cash and short-duration fixed income investments. These investments are exposed to various risks, including interest rate risk, market risk, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in market conditions could materially affect the amounts reported in the statement of net assets available for benefits.

At December 31, 2025, the Plan held significant cash and cash-equivalent balances in accounts administered by the Trustee pending distribution of Plan assets in connection with the Plan termination. The nature and extent of deposit insurance, if any, depend on the underlying account or investment arrangement. Such balances may be exposed to financial institution, counterparty, liquidity, or investment risk. The Plan has not experienced losses on these balances.

9. CERTIFIED INVESTMENTS

Certain investment information included in the accompanying financial statements and ERISA-required supplemental schedules relating to assets held by Spinnaker Trust, including investment balances and transactions reflected in the Trustee's records, was obtained from information prepared and certified as complete and accurate by Spinnaker Trust in accordance with 29 CFR 2520.103-5. The Plan's accounting policies and the recognition and disclosure of the contractual rights and escrow arrangements described in Note 5 are not covered by that certification.

SYSTEMS ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

EIN: 01-0462643 PLAN #: 002

YEAR ENDED DECEMBER 31, 2025

Single transactions in excess of five percent:

(a) Party involved	(b) Description	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expenses	(g) Cost	(h) Current value on transaction date	(i) Net gain/(loss)
Lyra Technology Group, LLC	Systems Engineering, Inc. common stock — 852,090 shares sold 12/1/25	-	51,350,952 *	-	-	5,162,787	51,350,952	46,188,165
Market transaction	iShares iBonds Dec 2027 Term Corporate ETF — 452,861 shares purchased 12/12/25	11,007,476	-	-	-	11,007,476	11,007,476	-

*The selling price reported for the sale of employer securities reflects $51,350,952 of net cash proceeds received by the Plan at closing. The securities purchase agreement also provides for escrow arrangements and contractual rights to additional purchase consideration, as described in Note 5 to the financial statements. No additional amounts under these arrangements were received by the Plan during 2025, and no related amounts were recognized under the Plan's modified cash basis of accounting.

See accompanying notes to financial statements.

SYSTEMS ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN: 01-0462643 PLAN #: 002

DECEMBER 31, 2025

(a)	(b) Identity of issue	(c) Description of investment including interest rate and maturity date	(d) Cost	(e) Current value
	BlackRock	Short Duration Bond ETF	$ 376,619	$ 386,316
	iShares	iBonds Dec 2027 Term Corporate ETF	11,007,476	10,995,465

See accompanying notes to financial statements.

SYSTEMS ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

EIN: 01-0462643 PLAN #: 002

YEAR ENDED DECEMBER 31, 2025

Single transactions in excess of five percent:

(a) Party involved	(b) Description	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expenses	(g) Cost	(h) Current value on transaction date	(i) Net gain/(loss)
Lyra Technology Group, LLC	Systems Engineering, Inc. common stock — 852,090 shares sold 12/1/25	-	51,350,952 *	-	-	5,162,787	51,350,952	46,188,165
Market transaction	iShares iBonds Dec 2027 Term Corporate ETF — 452,861 shares purchased 12/12/25	11,007,476	-	-	-	11,007,476	11,007,476	-

*The selling price reported for the sale of employer securities reflects $51,350,952 of net cash proceeds received by the Plan at closing. The securities purchase agreement also provides for escrow arrangements and contractual rights to additional purchase consideration, as described in Note 5 to the financial statements. No additional amounts under these arrangements were received by the Plan during 2025, and no related amounts were recognized under the Plan's modified cash basis of accounting.

See accompanying notes to financial statements.

SYSTEMS ENGINEERING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN: 01-0462643 PLAN #: 002

DECEMBER 31, 2025

(a)	(b) Identity of issue	(c) Description of investment including interest rate and maturity date	(d) Cost	(e) Current value
	BlackRock	Short Duration Bond ETF	$ 376,619	$ 386,316
	iShares	iBonds Dec 2027 Term Corporate ETF	11,007,476	10,995,465

See accompanying notes to financial statements.