BDL HOLDINGS ESOP

KE&G

Maddux & Sons

2026 ANNUAL REPORT

BUILDING A LEGACY TOGETHER

2026 was a year of momentum—one that showed what our companies can accomplish individually and what we can build together.

Across Blue Diamond Legacy Holdings, our teams continued to grow, take on new challenges, and create new opportunities. KE&G expanded its workforce, capabilities, and project portfolio, while Maddux & Sons invested in the technology, equipment, and systems needed to strengthen its operations and prepare for future growth.

Throughout the year, we also made significant investments in the foundation behind our businesses. We developed our people, expanded our fleet, improved our systems, strengthened safety, and began building facilities that will support where we are headed next.

But growth is only meaningful when it creates lasting value.

As an employee-owned organization, the work we do today has an impact beyond this year's results. Every successful project, new capability, stronger relationship, and investment in our companies helps create greater opportunity for the employee owners who are building this organization—and those who will follow them.

This annual report celebrates the progress we made together in 2026 and the people behind it, while looking ahead to the opportunities still to come.

ABOUT BDL

BUILT TO PROTECT. POSITIONED TO GROW.

Blue Diamond Legacy Holdings was established in January 2024 as the parent company of KE&G Construction.

The restructuring moved the Employee Stock Ownership Plan to BDL, creating a holding-company structure designed to protect assets, support diversification, and provide a platform for future acquisitions.

Importantly, BDL and KE&G serve different roles.

Blue Diamond Legacy Holdings is the ownership and holding company. It provides the structure through which the ESOP owns the enterprise and through which additional businesses can become part of the organization.

KE&G Construction is an operating company. It continues doing what it has done for more than five decades: building infrastructure and development projects and serving clients throughout the Southwest.

That distinction became increasingly important as BDL expanded.

With Maddux & Sons joining the organization, BDL demonstrated the purpose of the structure: allowing the enterprise to grow beyond a single operating company while maintaining a common commitment to long-term value creation.

One Ownership Structure. Multiple Opportunities.

BDL's strategy is not growth for growth's sake.

Future investments and acquisitions must strengthen the organization, create sustainable opportunities, and support the long-term interests of employee owners.

That means looking for businesses that complement existing capabilities, provide opportunities in new markets, diversify revenue, or strengthen the services available across the organization.
Each BDL company maintains its own operating identity and expertise while contributing to a larger enterprise built around long-term ownership.

2026 YEAR IN REVIEW

BUILDING THE FOUNDATION FOR THE FUTURE

2026 demonstrated the strength of the platform BDL has been building.

Across its companies, the organization continued investing in the resources necessary to support long-term growth.

KE&G grew to more than 650 employees while expanding its work across heavy civil, development, utility, mining, integrated services, and commercial construction. Major projects advanced throughout Southern Arizona and beyond, while the company's backlog continued creating opportunities extending into future years.

Maddux & Sons continued modernizing its operations through investments in technology, fleet, and production systems, including Command Batch automation, digital ticketing, expanded ready-mix capacity, and digitization of company records.

Meanwhile, KE&G began construction of a new **32-acre headquarters campus consisting of four buildings and approximately 115,000 square feet,** creating infrastructure designed to support the company's next phase of growth.

Across the enterprise, the focus remained consistent:

Invest in people. Strengthen operations. Protect ownership. Build for the future.

KE&G CONSTRUCTION

BUILDING THE INFRASTRUCTURE BEHIND GROWING COMMUNITIES

Founded in 1972, KE&G Construction has grown from a small Southern Arizona contractor into a leading Southwest infrastructure and development contractor.

Today, KE&G performs work throughout **Arizona, New Mexico and Texas,** serving municipalities, utilities, mines, federal agencies, developers, home builders, and private-sector clients.

In 2026, KE&G continued expanding both the scale and diversity of its work.

Development began **Verano Phase 1**, an approximately $28 million contract and the largest subdivision project the company has contracted to date. The Development Division's contracted work has grown from approximately $6 million annually a decade ago to more than $35 million today.

Utility advanced major projects including the **$13.3 million Tri-City Regional Sanitary District Water Reclamation Facility and Sewer Main Project and the $5.5 million Town of Mammoth Water System and Booster Station Improvements Project.** The division also expanded into new rehabilitation technologies through its work with EPCOR and CIPP Corporation.

Integrated Services continued strengthening relationships with public agencies, growing revenue from approximately $8 million to $11.7 million, while Mining expanded its capabilities and Commercial established a new platform for vertical construction.

GROWTH ACROSS THE COMPANY

Commercial Division 7, launched in late 2025, quickly established momentum. KE&G ranked first among 16 general contractors pursuing the Town of Sierra Vista Job Order Contract and secured the Pima Community College East Campus Central Plant HVAC Upgrade.

Southern Arizona operations also expanded through major work at the Douglas Port of Entry and Fort Huachuca, where KE&G is performing work involving 658 water services and approximately 19,000 tons of asphalt replacement.

Mining teams added experience with vertical turbine pumps, liquid-tight concrete structures, urethane injection, and other specialized scopes.

Together, these accomplishments reflect a company that continues to evolve without losing sight of what built it: strong relationships, experienced employee owners, self-performance capabilities, and a commitment to delivering quality work safely.

MADDUX & SONS

STRENGTHENING A LEGACY BUSINESS

Maddux & Sons represents an important chapter in the Blue Diamond Legacy Holdings story. As part of the BDL family of companies, Maddux brings generations of experience in concrete, aggregate, decorative rock, and related services while providing BDL with opportunities to diversify and strengthen its capabilities in Southern Arizona.

The focus in 2026 was not simply on growth. It was on building stronger systems behind the business.

MODERNIZING OPERATIONS

Maddux invested in several operational improvements during the year.

Implementation of **Command Batch automation** introduced greater automation and consistency into batching operations. Company records continued transitioning from paper to digital formats, improving access to information and establishing a stronger foundation for future systems.

Fleet capacity also expanded with the addition of **three ready-mix trucks**, while a new slump rack improved operational support.

Digital ticketing represented another important step toward a more connected operation, improving how information moves from production and delivery into administrative processes.

These investments combine the experience and reputation built by Maddux over generations with systems designed to support its next chapter.

As part of BDL, Maddux can maintain the identity and expertise that make the company unique while benefiting from the resources, knowledge, and long-term perspective of a larger organization.

PEOPLE & DEVELOPMENT

INVESTING IN THE PEOPLE BEHIND OUR COMPANIES

Long-term growth depends on more than projects, equipment, and acquisitions.
It depends on people.

In 2026, KE&G continued expanding programs designed to create opportunities for employees at different stages of their careers.

Construction-focused English courses were offered in Tucson and Sierra Vista, with the first cohort of **16 employees earning A1 English credentials** before continuing to the next level.

KE&G also welcomed its **largest apprentice class to date**, with 12 apprentices—seven in Tucson and five in Sierra Vista. Outreach expanded through schools and community organizations to introduce more people to careers in construction.

These programs support a larger objective across BDL: create companies where people can build careers, develop new skills, take on greater responsibility, and participate in the value they help create.

As BDL grows, so does the opportunity to create new career paths across its family of companies.

SAFETY

GROWTH NEVER CHANGES THE PRIORITY

As our companies grow, the responsibility to protect our people grows with them.

At KE&G, the Safety Department expanded from three professionals to seven to better support a workforce exceeding 600 employees. More than **1,000 employees received OSHA 10 training**, and 165 employees were recognized for their commitment to working safely.

KE&G's safety program also received significant recognition, including the **ARTBA National Safety Award and the Ben Patton Luster Safety Award.**

Those accomplishments matter, but awards are not the objective.

Safety is ultimately measured by the decisions employees make when no one is watching: identifying a hazard, stopping work when something does not look right, looking out for a coworker, or taking the extra time required to perform a task correctly.

Across BDL, safety must remain part of how our companies grow—not something considered after growth occurs.
Because no financial result, schedule milestone, or completed project is more important than sending our people home safely.

INVESTING FOR THE FUTURE

CREATING CAPACITY FOR WHAT'S NEXT

Growth requires investment before the need becomes urgent.

During the 12-month period ending August 20, 2026, KE&G reinvested approximately **$6 million into its fleet**, adding excavators, wheel loaders, backhoes, 4,000-gallon water trucks, more than 40 light- and medium-duty trucks, a combination vacuum truck, and heavy-haul transport equipment.

KE&G now manages more than **800 pieces of light-, medium-, and heavy-duty vehicles and construction equipment.**

But the year's investments extended beyond fleet.

Construction will soon begin on KE&G's new Tucson headquarters campus—a **32-acre development encompassing four buildings and approximately 115,000 square feet.** A new Tucson Shop and Warehouse will provide additional capacity to maintain and support the equipment behind the company's expanding operations.

Maddux & Sons likewise invested in production technology, ready-mix fleet capacity, digital ticketing, and operational systems.

Each investment serves a larger purpose.

BDL is building infrastructure not only for the companies it owns today, but for the organization it intends to become.

OWNERSHIP & STEWARDSHIP

PROTECTING WHAT WE BUILD TOGETHER

Employee ownership has been part of KE&G's story since 2006 and became the foundation of the company's future when KE&G became 100% employee owned in 2014.

The establishment of Blue Diamond Legacy Holdings in 2024 represented the next evolution of that model.

By placing the ESOP at the holding-company level, BDL created a structure designed to protect assets, diversify the enterprise, and allow employee owners to participate in value created across a growing family of companies—not solely a single operating business.

That makes stewardship particularly important.

Every investment, acquisition, project, piece of equipment, and business decision ultimately contributes to the long-term health of the organization employee owners collectively own.

Our responsibility is therefore bigger than delivering this year's results.

It is protecting the opportunities created by the employee owners who came before us while building something even stronger for those who will follow.

LOOKING AHEAD

THE NEXT CHAPTER IS ALREADY UNDER CONSTRUCTION

2026 was a year of building.

We built infrastructure for our communities. We built new capabilities within our operating companies. We invested in equipment and facilities. We developed people. We strengthened relationships. And we continued building the structure that will allow Blue Diamond Legacy Holdings to grow for decades to come.

There is more work ahead.

KE&G will continue expanding its capabilities and geographic reach while maintaining the standards that have defined the company for more than 50 years.

Maddux & Sons will continue modernizing and identifying opportunities to grow its operations while preserving the experience and reputation behind its name.

BDL will continue evaluating opportunities to strengthen and diversify the enterprise through disciplined investment and acquisition.

Through it all, one principle remains constant:

We are building more than companies. We are building a legacy owned by the people helping create it.

That is the opportunity in front of us.

And we are just getting started.