IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	**Chapter 11**
	)	
Combustion Engineering, Inc.,	)	**Case No. 03-10495 (CSS)**
	)	
Reorganized Debtor.	)	

NOTICE OF FILING OF ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE COMBUSTION ENGINEERING 524(g) ASBESTOS PI TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2024

(For the Period January 1, 2024 to December 31, 2024)

PLEASE TAKE NOTICE that, on April 24, 2025, the Trustees of the Combustion Engineering 524(g) Asbestos PI Trust (the "Trust") filed the Annual Report, Financial Statements and Results of Operations of the Trust for Fiscal Year Ended December 31, 2024 (the "Annual Report") and its audited financial statements for the same period (the "Audited Financial Statements"). The Annual Report and the Audited Financial Statements are attached hereto as Exhibits "A" and "A-1," respectively.

Dated: April 24, 2025

Respectfully submitted,

STUTZMAN, BROMBERG, ESSERMAN & PLIFKA, A Professional Corporation

By: */s/ Sander L. Esserman*
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ATTORNEYS FOR THE COMBUSTION ENGINEERING 524(g) ASBESTOS PI TRUST

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EXHIBIT A

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	**Chapter 11**
	)	
Combustion Engineering, Inc.,	)	**Case No. 03-10495 (CSS)**
	)	
Reorganized Debtor.	)	

ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE COMBUSTION ENGINEERING 524(g) ASBESTOS PI TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2024

James J. Faught, the Honorable Ken Kawaichi, Ret., and Ellen S. Pryor, Trustees of the Combustion Engineering 524(g) Asbestos PI Trust (the "Trust"), created pursuant to Combustion Engineering, Inc.'s Plan of Reorganization, as Modified through October 7, 2005 (the "Plan"), submit this Annual Report, Financial Statements and Results of Operations of the Combustion Engineering 524(g) Asbestos PI Trust for Fiscal Year Ended December 31, 2024.

I. General

Combustion Engineering, Inc. ("Combustion Engineering") filed a voluntary petition for relief under Chapter 11, title 11 of the United States Code (the "Bankruptcy Code") on February 17, 2003. The United States Bankruptcy Court for the District of Delaware entered the Order Confirming (and Recommending Affirmance by the U.S. District Court) Debtor's Plan of Reorganization as Modified Through October 7, 2005 and Setting Bar Dates to File Certain Claims in Paragraphs 50, 51, 52, 53 and 73 on December 19, 2005 (the "Confirmation Order"). On March 1, 2006, the United States District Court for the District of Delaware entered its order affirming the Confirmation Order and Issuing Injunctions. The Effective Date of the Plan occurred on April 21, 2006. Pursuant to the Plan, Steven Kazan, Russell W. Budd, Brent Coon,

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Robert J. Cooney, Jr. and Vanessa Firnhaber Oslund are the members of the Trust Advisory Committee ("TAC"). Roger Frankel is the Future Claimants' Representative ("FCR").

The Combustion Engineering 524(g) Asbestos PI Trust Agreement ("Trust Agreement") and the Combustion Engineering 524(g) Asbestos PI Trust Bylaws (the "Bylaws") require the Trustees to meet with the TAC and the FCR at regular or special meetings. In 2024, the Trust held regular meetings on February 28, 2024, May 22, 2024, September 18, 2024, and November 13, 2024.

The Trustees generally held weekly Trustees' meetings throughout the year, usually by telephone.

Effective January 1, 2024, the Trustees named Ellen S. Pryor, as the Managing Trustee for a one-year term.

The principal office of the Trust is located at 1100 N. Market Street, 4th Floor, Wilmington, Delaware 19890. The Trust's administrative office is located at 3000 Town Center, Suite 100, Southfield, Michigan 48075.

In 2024, the Trust entered and/or continued service agreements with: Stutzman, Bromberg, Esserman & Plifka, a Professional Corporation (general counsel); Plante Moran, PLLC (accountant, administrator and tax advisor); Verus Claims Services LLC (claims processing facility and claims administrator); Gilbert LLP (insurance counsel); BDO USA, LLP (auditor of Trust's financial statements for the year ending December 31, 2023); CohnReznick LLP (auditor of Trust's financial statements for the year ending December 31, 2024); Wilshire Associates (financial consultant); Northern Trust Company (custodian); Alliance Bernstein LP (money manager); Northern Trust Investments, N.A. (money manager); State Street Global Advisors (money manager); Aegon USA Investment Management LLC (money manager);

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Richmond Capital Management, Inc. (money manager); Legal Analysis Systems (claims forecasting); and AON Risk Services Central, Inc. (insurance agent). The Trust retained local counsel as needed.

The Trust maintained liability insurance for the Trustees, the members of the TAC and the FCR. In addition, the Trust obtained cyber security protection insurance.

II. Asbestos PI Claims

The Combustion Engineering 524(g) Asbestos PI Trust Second Amended and Restated Asbestos PI Trust Distribution Procedures (the "TDP"), the Combustion Engineering 524(g) Asbestos PI Trust Third Revised and Restated Procedures for Reviewing and Liquidating TDP Claims, the Combustion Engineering 524(g) Asbestos PI Trust Claim Form, and other claims-related forms and instructions are available at www.cetrust.org.

Article 3.2(c)(iv) of the Trust Agreement requires the Trustees to prepare a report containing a summary regarding the number and types of claims (and the amount paid in respect of such claims) disposed of during the period covered by the financial statements.

A. Claims Payments for the Fiscal Year Ended December 31, 2024[1]

Under the TDP, Claims Payment Ratios are 87% for Category A Claims (malignancy claims and severe asbestosis) and 13% for Category B Claims (other non-malignancy claims). TDP, Sec. 2.5.

In 2024, the Trust paid 3,928 Category A Claims totaling $29,041,550; in addition, the Trust paid $8,654,574 in supplemental payments to Category A Claims.

In 2024, the Trust paid 9,422 Category B Claims totaling $5,682,261.

[1] Claims information reported herein may differ from the audited financial statements due to the timing of payments.

B. Claims Statistics for the Fiscal Year Ended December 31, 2024

From inception of the Trust through the period ending December 31, 2024, the Trust has received a total of 582,600 claims. As of December 31, 2024, the Trust has paid a total of 261,569 claims. The Trust received 28,869 claims in 2024. In 2024, the Trust liquidated and paid 13,350 claims. Below is further detail with respect to the claims received and paid by the Trust in 2024.

Total claims received in 2024:

Total Category A Claims received in 2024 =		9,924
Category A Claims submitted for Expedited Review	6,191	
Category A Claims submitted for Individual Review	3,733	
Total Category B Claims received in 2024 =		18,945
Category B Claims submitted for Expedited Review	15,112	
Category B Claims submitted for Individual Review	3,833	
Total claims received in 2024 =		**28,869**

Total claims paid in 2024:

Total Category A Claims paid in 2024 =		3,928
Category A Claims paid pursuant to Expedited Review	2,613	
Category A Claims paid pursuant to Individual Review	1,315	
Total Category B Claims paid in 2024 =		9,422
Category B Claims paid pursuant to Expedited Review	7,334	
Category B Claims paid pursuant to Individual Review	2,088	
Total claims paid in 2024 =		**13,350**

Since inception of the Trust, the Trust has not approved 299,704 claims, consisting of rejected claims, claims with uncured deficiencies, and withdrawn and deferred claims.

III. Compensation and Expenses of Trustees

Under Section 5.5(c) of the Trust Agreement, the Trust reports to the Court the amount of compensation and expenses paid to the Trustees. Please reference the Supplementary Information to the audited special-purpose financial statements, attached hereto, for this information. The Trust pays the Delaware Trustee a fee of $2,500.

IV. Plan Reserve Blocked Account

Under the Excess Funds Agreement entered as of April 20, 2006, by and among the Trust, Combustion Engineering, Inc., ABB Inc. and ABB Holdings Inc. ("ABB"), a Plan Reserve Blocked Account was established and funded to pay certain administrative expenses of the Combustion Engineering Chapter 11 case and certain unsecured creditor claims filed against the Combustion Engineering bankruptcy estate, all if and as allowed under the Plan. To the extent that funds remain in the Plan Reserve Blocked Account after the payment of the allowed administrative expenses and unsecured claims, the funds become the property of the Trust pursuant to the Plan. In 2021, Combustion Engineering resolved the final remaining claim in the Combustion Engineering Chapter 11 case.

In July 2023, Combustion Engineering, Inc. reported that the balance of the Plan Reserve Blocked Account was about $9.1 million. In July 2023, the Trust and ABB Holdings, Inc., and all of its subsidiaries, affiliates, and successors including but not limited to Combustion Engineering, entered into that certain Release Agreement, dated July 18, 2023 (the "Release Agreement"), to release to the Trust all of the funds in the Plan Reserve Blocked Account except $500,000. Pursuant to the Release Agreement, if no further claims are submitted for payment

from the Plan Reserve Blocked Account within two years of the execution of the Release Agreement by the parties thereto, the remaining $500,000 will be released to the Trust. Pursuant to the Release Agreement, on September 19, 2023, the Trust received $8,644,779.15 from the Plan Reserve Blocked Account.

V. Financial Statements

A copy of the Trust's Audited Special-Purpose Financial Statements with Supplementary Information Years Ended December 31, 2024 and 2023, is attached hereto as Exhibit "A-1."

Dated: April 24, 2025

STUTZMAN, BROMBERG, ESSERMAN & PLIFKA, A Professional Corporation

By: */s/ Sander L. Esserman*

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ATTORNEYS FOR THE COMBUSTION ENGINEERING 524(g) ASBESTOS PI TRUST

EXHIBIT A-1

Combustion Engineering 524(g) Asbestos PI Trust

Special-Purpose Financial Statements (With Supplementary Information) and Independent Auditor's Report

December 31, 2024 and 2023

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Combustion Engineering 524(g) Asbestos PI Trust

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Independent Auditor's Report

To the Trustees
Combustion Engineering 524(g) Asbestos PI Trust
Southfield, Michigan

Opinion

We have audited the special-purpose financial statements of Combustion Engineering 524(g) Asbestos PI Trust (the "Trust") which comprise the special-purpose statement of assets, liabilities and net claimants' equity as of December 31, 2024, and the related special-purpose statements of changes in net claimants' equity and cash flows for the year then ended, and the related notes to the special-purpose financial statements (collectively, the "Financial Statements").

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the net claimants' equity of the Trust as of December 31, 2024, and the changes in net claimants' equity and its cash flows for the year then ended, in accordance with the basis of accounting described in Note 2 to the Financial Statements.

Basis for Opinion

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 of the Financial Statements which describes the basis of accounting. The Financial Statements are prepared on a special-purpose basis of accounting which is a basis of accounting other than accounting principles generally accepted in the United States of America. The special-purpose basis of accounting has been adopted by the Trustees to communicate the amount of net claimants' equity presently available to fund current and future claims. As a result, the Financial Statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Other Matter - Prior Year Financial Statements

The Financial Statements of the Trust for the year ended December 31, 2023, were audited by another auditor whose report dated April 22, 2024, included an emphasis of matter paragraph indicating that the Trust's Financial Statements were prepared on the special-purpose basis of accounting, which is a basis of accounting used to communicate the amount of net claimants' equity presently available to fund current and future claims, and expressed an unmodified opinion on those statements.

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Responsibilities of Management for the Special-Purpose Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with the special-purpose basis of accounting; this includes determining that the special-purpose basis of accounting is an acceptable basis for the preparation of the Financial Statements in these circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Special-Purpose 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Financial Statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Financial Statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the 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.

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Other Matter - Restriction of Use

This report is intended solely for the information and use of the management of the Trust, the Trustees, the beneficiaries of the Trust, and for filing with the United States Bankruptcy Court for the District of Delaware ("Bankruptcy Court") and is not intended to be and should not be used by anyone other than these specified parties. Upon filing with the Bankruptcy Court, the report is a matter of public record, which public filing does not expand the list of specified users.

CohnReznick LLP

Dallas, Texas
April 21, 2025

Combustion Engineering 524(g) Asbestos PI Trust

Special-Purpose Statements of Assets, Liabilities and Net Claimants' Equity
December 31, 2024 and 2023

	2024	2023
Cash and cash equivalents	$ 10,198,060	$ 20,920,273
Investments at fair value	412,225,893	421,310,146
Accrued interest and dividends receivable	4,023,648	3,998,975
Unsettled securities receivable	458,795	1,310,975
Prepaid income taxes	-	427,208
Tax reclaim receivable	127,553	124,441
Total assets	$ 427,033,949	$ 448,092,018
Liabilities and Net Claimants' Equity		
Accrued expenses and accounts payable	1,277,828	1,066,850
Accrued claims	566,429	620,130
Unsettled securities payable	3,625,346	686,430
Total liabilities	5,469,603	2,373,410
Net claimants' equity	$ 421,564,346	$ 445,718,608

See Notes to Financial Statements.

Combustion Engineering 524(g) Asbestos PI Trust

Special-Purpose Statements of Changes in Net Claimants' Equity
Years Ended December 31, 2024 and 2023

	2024	2023
Additions		
Investment income	$ 15,667,871	$ 16,516,369
Net increase in unrealized gain on investments	5,014,406	22,359,753
Net realized gain on investments	4,582,697	-
Proceeds from plan reserve blocked account (Note 1)	-	8,644,779
Total additions	25,264,974	47,520,901
Deductions		
Personal injury claims expense	43,323,131	38,722,673
Net realized loss on investments	-	2,270,414
Operating expenses and income taxes	5,375,513	5,997,960
Direct investment expenses	720,592	709,720
Total deductions	49,419,236	47,700,767
Net decrease in net claimants' equity	(24,154,262)	(179,866)
Net claimants' equity, beginning of year	445,718,608	445,898,474
Net claimants' equity, end of year	$ 421,564,346	$ 445,718,608

See Notes to Financial Statements.

Combustion Engineering 524(g) Asbestos PI Trust

Special-Purpose Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Cash received from:		
Sales and maturities of investments	$ 185,195,844	$ 184,691,027
Investment income	16,661,831	17,537,371
Plan reserve blocked account distribution (Note 1)	-	8,644,779
Total cash inflows	201,857,675	210,873,177
Cash paid for:		
Purchase of investments	163,742,025	193,838,199
Distribution to claimants	43,376,832	39,604,087
Trust operating expenses	3,190,439	3,383,283
Investment expenses	720,592	880,746
Income taxes	1,550,000	1,450,000
Total cash outflows	212,579,888	239,156,315
Net decrease in cash and cash equivalents	(10,722,213)	(28,283,138)
Cash and cash equivalents at the beginning of year	20,920,273	49,203,411
Cash and cash equivalents at the end of year	$ 10,198,060	$ 20,920,273

See Notes to Financial Statements.

Combustion Engineering 524(g) Asbestos PI Trust

Notes to Financial Statements
December 31, 2024 and 2023

Note 1 - Description of the Trust

The Combustion Engineering 524(g) Asbestos PI Trust (the "Trust"), organized pursuant to the laws of the State of Delaware, was established pursuant to Combustion Engineering, Inc.'s ("CE") plan of reorganization, as modified through October 7, 2005 (the "Plan") and became effective on April 20, 2006. The Trust is a Qualified Settlement Fund" ("QSF") pursuant to the meaning of Section 1.468B-1 et seq. to the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code ("Code"). The Trust was formed to assume all Asbestos PI Trust Claims (whether now existing or arising at any time hereafter) and to use the Trust assets to pay holders of claims in accordance with the Asbestos PI Trust Agreement. The Trust's funding is dedicated solely to the settlement of asbestos personal injury claims and the related costs thereto, as defined in the Plan. The Trust's principal office is in Wilmington, Delaware and its administrative office is located in Southfield, Michigan. Defined terms have the meanings assigned to them in the Plan.

A Plan Reserve Blocked Account (the "Account") was established by the Trust, Combustion Engineering, Inc., ABB Inc. and ABB Holding Inc. ("ABB"). The account was funded to pay certain administrative expenses and certain unsecured creditors allowed by the Plan. To the extent that the funds remain in the Account after the payment of these allowed expenses, the funds become the property of the Trust. In July 2023, the Account had a balance of approximately $9.1 million and released proceeds of approximately $8.6 million to the Trust. If no further claims are submitted for payment from the Account within two years of July 2023, the remaining $500,000 will be released to the Trust.

The Trust was initially funded with ABB stock, an ABB promissory note, a CE contribution agreement, a CE convertible secured note, and insurance settlement rights. The Trust has divested itself of all ABB holdings.

Note 2 - Significant accounting policies

Basis of presentation

The Trust's financial statements ("Financial Statements") are prepared using special-purpose accounting methods adopted by the Trust and the Trustees, which differ from accounting principles generally accepted in the United States of America ("GAAP"). The special-purpose accounting methods were adopted in order to communicate to the beneficiaries of the Trust the net assets available for payment of claims and the related operating expenses of the Trust. Since the accompanying Financial Statements and transactions are not based upon GAAP, accounting treatment by other parties for these same transactions may differ as to timing and amount. The special-purpose accounting methods include the following:

i. Investments are recorded at fair value. All interest and dividend income, net of investment expenses, are included in investment income in the accompanying special- purpose statements of changes in net claimants' equity. Realized and unrealized gains and losses on investment securities are recorded as additions or deductions in the special- purpose statements of changes in net claimants' equity.

ii. Amortization and accretion of bond premiums or discounts is included in investment income.

iii. Future fixed liabilities under contractual obligations and other agreements entered into by the Trust are recorded as deductions in the same period that such contractual obligations or agreements are signed. Under GAAP, liabilities and contractual obligations are recorded over the period that is benefited by the underlying contract or agreement.

iv. The distributions of personal injury claims are treated as a direct reduction to net claimants' equity in the period in which the settled claims are approved for payment and not shown separately from direct operating costs. A settled claim is a claim that has been accepted by the claimant with an executed release submitted to the Trust and approved by the Trustees. An unpaid settled claim is a claim that cannot be paid due to annual cap limitations or has been authorized for payment by the Trustees but not yet paid. The liability for unpaid claims that is a result of annual cap limitations is recorded when settled. This liability is the product of the liquidated value of the unpaid claims times the Payment Percentage in effect at year-end. The actual amount paid to an unpaid claimant may be more or less depending on the Payment Percentage in effect at the time of payment. Under GAAP, a liability would be recorded for an estimate of the amount to be paid for claims that have been incurred but not yet reported, and for those claims that have been submitted but not yet approved for payment by the Trust.

v. Payments for services to be received over an extended period in the future are expensed as paid because these amounts are no longer available for the payment of claims. Under GAAP, an asset would be recorded and amortized over the period in which the related benefits are received.

vi. Income tax expense is estimated and recorded as incurred in the period in which certain income and expense items affect current federal income taxes payable. Under GAAP, the provision for income taxes is recorded based upon income reported for special-purpose financial statement purposes, and federal income taxes both currently payable and changes in deferred taxes due to differences between financial reporting and tax bases of assets and liabilities. Under GAAP, deferred taxes include a provision for taxes attributable to changes in unrealized gains and losses on investments. Finally, under GAAP, the Trust would be required to estimate the potential outcome of any uncertain tax positions.

Use of estimates
The preparation of the Financial Statements requires the Trustees and management of the Trust to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the Financial Statements, as well as the reported changes in net claimants' equity during the reporting periods. Actual results could differ from those estimates and such differences could have a material effect on net claimants' equity.

Cash equivalents
The Trust considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Investments
Investments are stated at fair value. See Note 4. Changes in unrealized gains and losses recorded as increase or decreases to net claimants' equity. Realized gains and losses on sales are determined using the specific identification method. The Trust records transactions on a trade-date basis. Dividend income is recorded on the ex-dividend date. Investment income is recognized when earned. Any unearned interest and dividend income are recorded as accrued interest and dividends receivable.

Accrued claims
Accrued claims consist of certain claims that are settled but unpaid at year-end. A settled claim is a claim that has been accepted by the claimant with an executed release submitted to the Trust and approved by the Trustees. An unpaid settled claim is a claim that cannot be paid due to annual cap

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limitations or has been authorized by the Trustees but not yet paid. The liability for unpaid claims that is a result of annual cap limitations is recorded when settled. This liability is the product of the liquidated value of the unpaid claims times the Payment Percentage in effect at year-end. The actual amount paid to an unpaid claimant may be more or less depending on the Payment Percentage in effect at the time of payment.

The ultimate number of claims to be filed and the liability for all such claims are not determinable at this time. The net claimants' equity at December 31, 2024 and 2023 represents funding available for all future claims. No fixed liability has been established for these future claims.

Accrued expenses and accounts payable
Accrued expenses and accounts payable consist of outstanding invoices associated with managing the Trust.

Unsettled securities
Unsettled securities receivable consist of amounts due to the Trust for securities sold before year end. Unsettled securities payable consists of amounts owed for securities acquired before year end.

Operating expenses
Operating expenses of the Trust are recorded as deductions on the special-purpose statements of changes in net claimants' equity in the period in which the invoices are accrued.

Income taxes
The Trust is classified as a QSF pursuant to the Code in the United States of America federal jurisdiction. As a result, the Trust is subject to federal income taxes based on modified gross income, as defined by the Code. In the opinion of the Trustees and advisors, the Trust is not subject to state income taxes and, therefore, the Financial Statements do not include any provision or liability for state income taxes. The funding received at the inception of the Trust as well as any subsequent funding received from insurers does not represent taxable income to the Trust. In addition, payments to claimants do not represent tax deductions of the Trust. The Trust reports tax-related interest and penalties as a component of income tax expense.

The Trust records income tax expense (or benefit) associated with amounts payable (or receivable) under current federal income taxes and does not record a provision for (or benefit from) deferred taxes. Accordingly, there is no provision for deferred taxes associated with changes in cumulative unrealized gains and losses on investments. The income taxes associated with gains on investments will be recorded in the Trust's Financial Statements when the net gains are realized (i.e. the securities are sold) and the taxes become currently payable. In addition, there is no provision for deferred taxes associated with any future benefit from the potential use of net operating or capital loss carryforwards to reduce taxable income in future years.

The Trust's federal income tax returns are generally subject to income tax examination by the Internal Revenue Service ("IRS") for a period of 3 years from the date the tax returns are filed. The Trust is generally no longer subject to income tax examinations by the IRS for the years ended December 31, 2019 and prior.

Concentrations of credit risk
The Trust's assets that are exposed to credit risk consists of cash and cash equivalents, investment securities, and accrued interest and dividends receivables. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Trust has not experienced losses related to these balances.

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Combustion Engineering 524(g) Asbestos PI Trust

Notes to Financial Statements
December 31, 2024 and 2023

The Trust invests in a professionally managed investment portfolio that contains common shares of publicly traded companies, corporate and government obligations, and alternative investments. Such investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investment will occur in the near term and such changes could materially affect the Trust's portfolio and the amounts reported in the Financial Statements.

Reclassifications
Certain prior year amounts on the special-purpose statement of changes in net claimants' equity have been reclassified for consistency with current year presentation. These reclassifications had no effect on the prior year reported net claimants' equity.

Subsequent events
The Trust has evaluated events and transactions subsequent to the date of the Financial Statements for matters requiring recognition or disclosure in the Financial Statements. The accompanying Financial Statements consider events through April 21, 2025, the date which the Financial Statements were available to be issued.

Note 3 - Cash, cash equivalents and investments

Cash, cash equivalents and investments consist of the following at December 31, 2024:

	December 31, 2024		
	Cost	Fair value	Unrealized gain (loss)
Cash and cash equivalents	10,198,060	10,198,060	$ -
Equities	17,246,892	68,962,733	51,715,841
Bonds	345,112,671	343,263,160	(1,849,511)
Total	$ 372,557,623	$ 422,423,953	$ 49,866,330

Cash, cash equivalents and investments consist of the following at December 31, 2023:

	December 31, 2023		
	Cost	Fair value	Unrealized gain (loss)
Cash and cash equivalents	$ 20,920,273	$ 20,920,273	$ -
Equities	25,551,759	70,974,673	45,422,914
Bonds	350,906,401	350,335,473	(570,928)
Total	$ 397,378,433	$ 442,230,419	$ 44,851,986

The maturities of the Trust's investments in bonds are as follows as of December 31,:

	2024	2023
Less than 1 year	$ 40,424,520	$ 50,996,703
After 1 year through 5 years	119,755,304	128,812,686
After 5 years through 10 years	75,192,739	49,696,544
After 10 years	107,890,596	120,829,540
Total	$ 343,263,160	$ 350,335,473

Note 4 - Fair Value Measurements

The Trust's investments are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants in an orderly transaction on the measurement date. The market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity for the asset or liability is known as the principal market. When no principal market exists, the most advantageous market is used. This is the market in which the reporting entity would sell the asset or transfer the liability with the price that maximizes the amount that would be received or minimizes the amount that would be paid. Fair value is based on assumptions market participants would make in pricing the asset or liability. Generally, fair value is based on observable quoted market prices or derived from observable market data when such market prices or data are available. When such prices or inputs are not available, the Trust would use valuation models.

The Trust's assets recorded at fair value on a recurring basis are categorized based on the priority of the inputs used to measure fair value. The inputs used in measuring fair value are categorized into three levels, as follows:

- Level 1 - Inputs that are based upon quoted prices for identical instruments traded in active markets.
- Level 2 - Inputs that are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar investments in markets that are not active, or models based on valuation techniques for which all significant assumptions are observable in the market, or can be corroborated by, observable market data for substantially the full term of the investment.
- Level 3 - Inputs that are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

The Trust does not have any Level 3 investments. For the years ended December 31, 2024 and 2023, there were no transfers from Level 3 investments.

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Combustion Engineering 524(g) Asbestos PI Trust

Notes to Financial Statements
December 31, 2024 and 2023

The following section describes the valuation methodologies the Trust uses to measure its financial assets at fair value:

Equities: Investments are valued at the closing price reported on the active market in which the individual securities are traded. These values are provided by the Trust's investment custodian.

Bonds: Valued using the documented trade price if trading in an active market. Otherwise, valued using a metrics system provided by the pricing vendors.

Investments measured at fair value on a recurring basis are summarized below:

	December 31, 2024			
Description	Assets Measured at Fair Value	Fair Value Hierarchy Level		
		Level 1	Level 2	Level 3
Cash and cash equivalents	$ 10,198,060	$ 10,198,060	$ -	$ -
Equities:				
Common stock	68,962,733	68,957,275	5,458	-
Bonds:				
Bank loans	12,737,484	-	12,737,484	-
Government	41,333,583	-	41,333,583	-
Corporate	69,542,767	-	69,542,767	-
Municipal	219,649,326	-	219,649,326	-
Total bonds	343,263,160	-	343,263,160	-
Total	$ 422,423,953	$ 79,155,335	$ 343,268,618	$ -

	December 31, 2023			
Description	Assets Measured at Fair Value	Fair Value Hierarchy Level		
		Level 1	Level 2	Level 3
Cash and cash equivalents	$ 20,920,273	$ 20,920,273	$ -	$ -
Equities:				
Common stock	70,974,673	70,732,747	241,926	-
Bonds:				
Bank loans	14,635,578	-	14,635,578	-
Government	48,983,662	-	48,983,662	-
Corporate	61,167,734	-	61,167,734	-
Municipal	225,548,499	-	225,548,499	-
Total bonds	350,335,473	-	350,335,473	-
Total	$ 442,230,419	$ 91,653,020	$ 350,577,399	$ -

Combustion Engineering 524(g) Asbestos PI Trust

Notes to Financial Statements
December 31, 2024 and 2023

Note 5 - Income Taxes

For federal income tax purposes, CE has elected for the qualified assets of the Trust to be taxed as a QSF. The following is a summary of the estimated net taxable operating income for the years ended December 31:

	2024	2023
Net increase in claimants' equity from operations	$ 19,168,869	$ 29,898,028
Other non-taxable income	1,424,181	1,922,164
Non-taxable municipal bond interest	(7,544,214)	(7,264,064)
Realized (gain) loss on investments	(4,582,697)	2,270,414
Unrealized gain on investments	(5,014,406)	(22,359,753)
Provision for income taxes	2,027,208	2,623,352
Net taxable operating income	5,478,941	7,090,141
Statutory tax rate	37%	37%
Provision for income taxes	$ 2,027,208	$ 2,623,352

As disclosed in Note 2 to the Financial Statements, the Trust does not record a provision for (or benefit from) deferred taxes. Accordingly, there is no provision for deferred taxes associated with cumulative unrealized gains and losses on investments.

Note 6 - Personal Injury Claims

For the years ended December 31, 2024, and 2023, the Trust settled 13,350 and 15,702 claims totaling $43,376,832 and $38,722,673, respectively. For the years ended December 31, 2024 and 2023, the Trust received 28,869 and 23,949 new claim filings, respectively.

The following is a reconciliation of distributions from claimants' equity to total claims (and related expenses) paid for the years ended December 31:

	2024	2023
Cash paid for distribution of claimants	$ 43,376,832	$ 39,604,087
Change in accrued claims and expenses	(53,701)	(881,414)
Personal injury claims expense	$ 43,323,131	$ 38,722,673

Note 7 - Contingent Liabilities

The Plan Documents (as defined in the Plan) subject the Trust to certain reimbursement and indemnification obligations that may result in future claims against the Trust.

The probability of such claims cannot be reasonably determined. Accordingly, no associated liability has been recorded in the accompanying Financial Statements. Such claims, if any, are not expected to be material.

Supplementary Information

CohnReznick LLP
cohnreznick.com

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Independent Auditor's Report on Supplementary Information

To the Trustees
Combustion Engineering 524(g) Asbestos PI Trust
Southfield, Michigan

We have audited the special-purpose financial statements ("Financial Statements") of the Combustion Engineering 524(g) Asbestos PI Trust (the "Trust") as of and for the year ended December 31, 2024 and, and have issued our report thereon dated (Report Date), which expressed an unmodified opinion on those Financial Statements, appears on pages two and three. Our audit was conducted for the purpose of forming an opinion on the Financial Statements as a whole. The supplementary Schedules of Investment Income and Operating Expenses, Income Taxes and Direct Investment Expenses were presented for the purposes of additional analysis and is not a required part of the basic Financial Statements. 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 audit of the Financial Statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Financial Statements or to the Financial Statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the Financial Statements as a whole. The 2023 information was subjected to the auditing procedures applied in the 2023 audit of the basic Financial Statements by other auditors, who report dated April 22, 2024, on such information stated that it was fairly stated in all material aspects in relation to the 2023 Financial Statements as a whole.

This report is intended solely for the information and use of the management of the Trust, the Trustees, the beneficiaries of the Trust, and for filling with the United States Bankruptcy Court for the District of Delaware ("Bankruptcy Court") and is not intended to be and should not be used by anyone other than these specified parties. Upon filing with the Bankruptcy Court, the report is a matter of public record, which public filing does not expand the list of specified users.

CohnReznick LLP

Dallas, Texas
April 21, 2025

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Combustion Engineering 524(g) Asbestos PI Trust

Schedules of Investment Income
Years Ended December 31, 2024 and 2023

	2024	2023
Investment income		
Interest on bonds	$ 13,880,261	$ 13,564,879
Other dividends	958,710	1,257,914
Interest on short term investments	828,900	1,693,576
Total investment income	$ 15,667,871	$ 16,516,369

See Independent Auditor's Report on Supplementary Information.

Combustion Engineering 524(g) Asbestos PI Trust

Schedules of Operating Expenses, Income Taxes and Direct Investment Expenses
December 31, 2024 and 2023

	2024	2023
Operating expenses and income taxes		
Claims processing services	$ 1,055,140	$ 1,041,992
Federal income taxes	2,027,208	2,623,352
Legal fees	721,209	735,434
Trustee disbursements	617,792	565,235
Consulting	492,772	609,507
Accounting and auditing	289,605	260,857
Insurance	144,530	137,017
Other expenses, net of income	21,859	16,520
Administrative	5,398	8,046
Total operating expenses and taxes	$ 5,375,513	$ 5,997,960
Direct investment expenses		
Investment advisory fees	$ 673,699	$ 686,961
Foreign tax income, net of expenses	(3,107)	(27,240)
Custodial fees	50,000	50,000
Total direct investment expenses	$ 720,592	$ 709,721

See Independent Auditor's Report on Supplementary Information.

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CERTIFICATE OF SERVICE

I, Andrea L. Ducayet, certify that on April 24, 2025, a true and correct copy of the foregoing was served on the parties listed below via e-mail and all other parties registered for electronic service via CM/ECF.

/s/ Andrea L. Ducayet

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