GALICIA HOLDINGS US, INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS
TOGETHER WITH AUDITOR'S REPORT
FOR THE PERIOD FROM INCEPTION (OCTOBER 23, 2023) TO DECEMBER 31, 2024

GALICIA HOLDINGS US, INC. AND SUBSIDIARY

TABLE OF CONTENTS

FOR THE PERIOD FROM INCEPTION (OCTOBER 23, 2023) TO DECEMBER 31, 2024

INDEPENDENT AUDITOR'S REPORT

Galicia Holdings US, Inc. and Subsidiary
Miami, Florida

Opinion

We have audited the accompanying consolidated financial statements of Galicia Holdings US, Inc. and Subsidiary, which comprise the consolidated statement of financial condition as of December 31, 2024, and the related consolidated statements of operations, changes in stockholder's equity and cash flows for the period from inception (October 23, 2023) to December 31, 2024, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Galicia Holdings US, Inc. and Subsidiary as of December 31, 2024, and the results of their operations and their cash flows for the period from inception (October 23, 2023) to December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Galicia Holdings US, Inc. and Subsidiary 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on these consolidated financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Galicia Holdings US, Inc. and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Galicia Holdings US, Inc. and Subsidiary'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.

Kaufman, Rossin & Co.

Kaufman, Rossin & Co., P.A.

February 13, 2025
Miami, Florida

GALICIA HOLDINGS US, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

AS OF DECEMBER 31, 2024

ASSETS		
Cash and cash equivalent	$	4,887,698
Restricted certificate of deposit		52,700
Other assets		11,875
Furniture and equipment, net		175,894
Security deposits		139,143
Right of use asset, net		1,025,320
Total assets	$	6,292,630
LIABILITIES AND STOCKHOLDER'S EQUITY		
Liabilities:		
Accounts payable and accrued expenses	$	238,355
Operating lease liability		1,093,039
TOTAL LIABILITIES		1,331,394
STOCKHOLDER'S EQUITY:		
Common Stock, 1,000 Shares at Par Value		10
Additional paid in capital		5,999,990
Accumulated deficit		(1,038,764)
Total stockholder's equity		4,961,236
Total liabilities and stockholder's equity	$	6,292,630

The accompanying notes are an integral part of this statement.

GALICIA HOLDINGS US, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE PERIOD FROM INCEPTION (OCTOBER 23, 2023) TO DECEMBER 31, 2024

Revenue:		
Interest income	$	90,964
Total revenue		90,964
Expenses:		
Professional fees		636,719
Compensation and benefits		262,724
Occupancy expense		135,388
Technology, data and computer expenses		40,553
Regulatory fees and expenses		11,610
Depreciation expense		4,036
Other operating expenses		38,698
Total expenses		1,129,728
Net Loss	$	(1,038,764)

The accompanying notes are an integral part of this statement.

GALICIA HOLDINGS US, INC. AND SUBSIDIARY

CONDOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE PERIOD FROM INCEPTION (OCTOBER 23, 2023) TO DECEMBER 31, 2024

	$0.01 par value Common Stock		AMOUNT		ADDITIONAL PAID-IN CAPITAL		Accumulated Deficit		TOTAL STOCKHOLDER'S EQUITY
Common Stock	1,000	$	10.00	$	-	$	-	$	10
Additional Paid In Capital			-		5,999,990				5,999,990
									-
Net loss	-				-		(1,038,764)		(1,038,764)
STOCKHOLDER'S EQUITY, DECEMEBR 31, 2024	1,000	$	10	$	5,999,990	$	(1,038,764)	$	4,961,236

The accompanying notes are an integral part of this statement.

GALICIA HOLDINGS US, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM INCEPTION (OCTOBER 23, 2023) TO DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	$ (1,038,764)
Adjustments to reconcile net loss to net cash and cash equivalent used in operating activities:	
Depreciation expense	4,036
Amortization of right of use asset	94,405
Stockholder paid-in capital in the form of forgiveness	188,789
(Increase) decrease in operating assets:	
Security deposits	(139,143)
Other assets	(11,875)
Increase (decrease) in operating liabilities:	
Accounts payable and accrued expenses	238,355
Operating lease liability	(26,686)
Net cash used in operating activities	(690,883)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of fixed assets	(179,930)
Restricted certificate of deposit	(52,700)
Net cash used in investing activities	(232,630)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Paid in capital	5,811,212
Net cash provided by financing activities	5,811,212
NET INCREASE IN CASH AND CASH EQUIVALENTS, REPRESENTING ENDING BALANCE	$ 4,887,698
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:	
Stockholder paid-in capital in the form of forgiveness of accounts payable and accrued expenses liabilities during the period	$ 188,789

The accompanying notes are an integral part of this statement.

1. Organization and Description of Business

Galicia Holdings US, Inc. (the "Parent"), a wholly-owned subsidiary of Grupo Financier Galicia (the "Group"), is an entity that wholly-owns Galicia Capital US, LLC (the "Broker-Dealer"). The Parent commenced operations on December 31, 2023, and was formed in Delaware on October 23, 2023.

The Broker-dealer was formed as a limited liability company in Florida on October 23, 2023. The Broker-Dealer is registered as a Broker Dealer under the Securities Exchange Act of 1934 and is a member of both the Financial Industry Regulatory Authority, Inc. ("FINRA") and the Securities Investors Protection Corporation ("SIPC") as September 4, 2024. As of December 31, 2024 the firm has not commenced principle operations.

The Broker-Dealer is authorized to engage in transactions in listed and over-the-counter corporate equities securities, corporate debt securities, mutual funds, government securities, municipal securities, time deposits in financial institutions, put and call brokers or dealers, or option writers. They may act as a non-exchange member arranging transactions in listed securities by an exchange member, trade for their own account, and engage in private placements of securities. The Broker-Dealer will introduce its customer accounts to carrying brokers on a fully disclosed basis. The Broker-Dealer is also authorized to act as a chaperone for its foreign affiliates for both research distribution and effect securities transactions with U.S. institutional investors pursuant to 15A-6. The Broker-Dealer may also offer structured notes issued by banks and other broker dealers that are available through the firms clearing firms platform.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Parent and the Broker-Dealer. All material intercompany transactions and balances have been eliminated in consolidation.

Basis of Accounting

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, (“U.S. GAAP”).

Property and Equipment

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Expenditures for repairs and maintenance are charged to operations as incurred. Additions and improvements are capitalized in accordance with firm policies.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. In particular, estimates have been made in reference to the other investment valuations. Actual results could differ from those estimates.

Cash and cash Equivalents

For purposes of the consolidated statement of cash flows, the Parent and the Broker-Dealer consider all highly liquid investments with maturities of three months or less at acquisition to be cash equivalents.

2. Summary of Significant Accounting Policies (continued)

Government and Other Regulation

The Broker-Dealer is subject to significant regulation by various governmental agencies and self-regulatory organizations. Such regulation includes, among other things, periodic examinations by these regulatory bodies to determine whether the Broker-Dealer is conducting and reporting its operations in accordance with the applicable requirements of these organizations.

Restricted Certificate of Deposit

The Broker-Dealer has a restricted certificate of deposit (CD) valued at $52,700, which serves as collateral for a credit card with Ocean Bank. This CD is set to mature in November 2025. Its value is recorded at the original cost plus accrued interest, accurately reflecting its fair value.cost plus accrued interest, which reflects its fair value.

Clearing Arrangements

The Broker-Dealer is an introducing firm that has a clearing agreement and will introduce all of its securities transactions for its customers to StoneX Financial Inc. ("Clearing Broker") on a fully disclosed basis. Customers' money balances and security positions are carried on the books of the Clearing Broker.

In accordance with the agreement, the Broker-Dealer has agreed to indemnify the clearing broker for losses, if any, which the clearing broker may sustain from carrying securities transactions introduced by the Broker-Dealer. In accordance with industry practice and regulatory requirements, the Broker-Dealer and the clearing broker monitor collateral on the customers' accounts.

The Broker-Dealer, maintains a deposit account with the Clearing Broker to further assist their performance of its obligation under the clearing agreement (the "Deposit Account"). In January 2025, the Broker Dealer deposited $150,000 into the Deposit Account.

Income taxes

The Parent files its tax return on a calendar year basis. It includes the activities of the Broker-Dealer. The Broker-Dealer is deemed to be a disregarded entity for income tax purposes. The Parent accounts for income taxes in accordance with FASB ASC 740 "Income Taxes." Federal and state income taxes are calculated and recorded on the current period's activity in accordance with the tax laws and regulations that are in effect. Deferred tax expenses and benefits are recognized based on the differences between the financial statement carrying amounts and the tax basis of assets and liabilities, using enacted tax rates in effect in the years the differences are expected to reverse.

The Parent accounts for uncertainties in income taxes under the provisions of FASB ASC 740-10-05, "Accounting for Uncertainty in Income Taxes" ("ASC"). The ASC clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. The ASC prescribes a recognition threshold and measurement attitude for the financial statement recognition and measurement of as tax position taken or expected to be taken in a tax return. The ASC provides guidance on de-recognition, classification, interest, and penalties, accounting in interim periods, disclosure, and transition. As of December 31, 2024, the Parent had no material unrecognized tax and no uncertain tax positions.

The Parent's conclusions regarding uncertain tax position may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations, and interpretations thereof, as well as other factors. Generally, federal and state authorities may examine the Parent's income tax returns for three years from the filing date.

3. Concentration of Credit Risk

Cash

The Parent and the Broker-Dealer maintain principally all cash balances in two financial institutions, which, at times, may exceed the amount insured by the Federal Deposit Insurance Corporation. The exposure to the Parent and the Broker-Dealer is solely dependent upon daily bank balances and the strength of the financial institution. The Parent and the Broker-Dealer have not incurred any losses on this account. At December 31, 2024, the amount in excess of insured limits of $250,000 was $4,189,407.

4. Net Capital Requirements

The Broker-Dealer is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital, and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 12.5 to 1, in the first year of membership and 15 to 1, thereafter. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. Net capital and aggregate indebtedness change day to day, but on December 31, 2024, the Broker-Dealer had net capital of $1,740,001 which was $1,490,001 in excess of its required net capital of $250,000; and the Broker-Dealer's percentage of aggregate indebtedness to net capital was 18%.

5. Fixed Assets

Property and equipment consisted of the following as of December 31, 2024	
Furniture and fixtures	$ 157,758
Computer equipment	22,172
Less: Accumulated depreciation	(4,036)
Total fixed assets	$ 175,894

Depreciation expense for the period from inception through December 31, 2024, was $4,036.

6. Related Party

In November 2024, the Broker-Dealer entered into a Service Level Agreement with an affiliate, with services commencing in December 2024. This agreement includes a fee allocation for compensation and benefits, professional fees, occupancy, data and communication expenses, and other operating expenses, all of which are reflected in the Statement of Operations.

7. Exemption From Rule 15c3-3

The Broker-Dealer is exempt from the provisions of Rule 15c3-3 under the Securities and Exchange Act of 1934. The Broker-Dealer does not hold customers' cash or securities and, therefore, has no obligations under SEC Rule 15c3-3 under the Securities Exchange Act of 1934.

8. Recently Issued Accounting Pronouncements

The Financial Accounting Standards Board (the “FASB”) has established the Accounting Standards Codification (“Codification” or “ASC”) as the authoritative source of GAAP recognized by the FASB. The principles embodied in the Codification are to be applied by nongovernmental entities in the preparation of financial statements in accordance with GAAP in the United States. New accounting pronouncements are incorporated into the ASC through the issuance of Accounting Standards Updates (“ASUs”).

For the reporting period, various ASUs issued by the FASB were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the period. The Parent and the Broker-Dealer have either evaluated or are currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the consolidated financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the Parent and the Broker-Dealer, and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

9. Commitments: Operating Lease

In February 2016, the FASB established Topic 842, Leases, by issuing Accounting Standards Update (ASU) No. 2016-02, which requires lessees to recognize leases on the balance sheet and disclose key information about leasing arrangements. Topic 842 was subsequently amended by ASU No. 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU No. 2018-10, Codification Improvements to Topic 842, Leases; and ASU No. 2018-11, Targeted Improvements. The standard established a right-of-use model ("ROU") that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement.

Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable or otherwise the Broker-Dealer uses its incremental borrowing rate. The implicit rate of the lease is not readily determinable and accordingly, the Broker-Dealer uses the incremental borrowing rate based on the information available at the commencement date of the lease. The Broker-Dealer's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Broker Dealer's lease for office space at 1395 Brickell Avenue, Miami, FL, expires on September 1, 2029. The lease includes a renewal option of 5 years. The lease is secured by a $137,696 deposit held by the landlord, which is included in the security deposit on the statement of financial condition.

9. Commitments: Operating Lease (continued)

It is accounted for as an operating lease. Maturities of lease liabilities under noncancellable operating leases as of December 31, 2024 are as follows:

2025	264,951
2026	272,899
2027	281,090
2028	289,523
2029	222,551
Total lease payments	1,331,014
Less: Imputed interest	(237,975)
Total lease liability	$ 1,093,039

The weighted average remaining lease term is 5 years, and the weighted average discount rate used was the incremental borrowing rate, as of July 1, 2024, of 8.25%.

The components of lease expense were as follows:

Lease cost:		
Operating least cost	$	135,388
Total lease cost	$	135,388

Other information related to leases as of December 31, 2024 as follows:

Supplemental cash flow information

Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$	65,259
ROU asset obtained in exchange for operating lease liability		1,119,724

10. Segment Reporting

The Broker-Dealer follows ASC 280, Segment Reporting (including adoption of ASU 2023-07), which requires it to disclose segment data based on how management makes decisions about allocating resources to segments and evaluating performance.

The Chief Operating Decision Maker ("CODM") is the executive management committee that includes the Chief Compliance Officer and Chief Executive Officer and Principal Financial Officer.

The Broker-Dealer conducts their business activities and reports financial results as a single reportable segment, the brokerage services segment. Using the management approach and qualitative and quantitative criteria established by ASC 280, the Broker-Dealer is considered to be a single reportable segment. The CODM makes decisions about allocating resources and assessing performance in a manner consistent with the way the Broker-Dealer operates its business and presents its financial results.

11. Income Taxes

As of December 31, 2024, the components of federal and state income tax expense are as follows:

Federal benefit	$	218,000
State benefit		46,000
Increase in valuation allowance		(264,000)
Total income tax expense	$	-

The provision for income taxes differed from the amount computed by applying the federal statutory rate of 21% to the loss before income taxes, principally due to the increase in the valuation allowance and city and state income taxes.

Deferred tax asset (liabilities) at December 31, 2024 are as follows:

Deferred tax assets:		
Net book value of start-up costs	$	87,000
Net operating loss carryover		204,000
Gross deferred tax assets		291,000
Deferred tax liabilities:		
Net book value of fixed assets		(27,000)
Gross deferred tax liabilities		(27,000)
Net deferred tax asset		264,000
Less: valuation allowance		(264,000)
Deferred tax asset, net	$	-

As of December 31, 2024, the Parent has a net operating loss carryforwards of approximately $804,000. Based on an assessment of all available evidence including, but not limited to, the Parent's limited operating history and lack of profitability and on-boarding of current and potential customers, the Parent has concluded that it is more likely than not that these net operating loss carryforwards will not be realized and, as a result, a full deferred income tax valuation allowance has been recorded against theses asssets.

The federal and state net operating loss carryforwards have an indefinite carryforward period, as the losses occurred after the Tax Cuts and Jobs Act of 2017 (the "2017 Tax Act") was enacted.

12. Subsequent Events

The Parent and the Broker-Dealer has evaluated subsequent events through February 13, 2025, which is the date the accompanying consolidated financial statements were available to be issued.