



WEBULL FINANCIAL LLC

Statement of Financial Condition
(With Report of Independent Registered Public Accounting Firm)
as of December 31, 2025

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KPMG LLP
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375 9th Avenue, 17th Floor
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Report of Independent Registered Public Accounting Firm

To the Managing Member and Those Charged with Governance
Webull Financial LLC:

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Webull Financial LLC (the Company) as of December 31, 2025, and the related notes (collectively, the financial statement). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2025, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.

Accompanying Supplemental Information

The supplemental information contained in Schedules I, II, III, and IV has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statement. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statement. or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. § 1.10.

KPMG LLP, a Delaware limited liability partnership, and its subsidiaries are part of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

In our opinion, the supplemental information contained in Schedules I, II, III, and IV is fairly stated, in all material respects, in relation to the financial statements as a whole.

KPMG LLP

We have served as the Company's auditor since 2022.

New York, New York
February 27, 2026

Webull Financial LLC
Notes to the Statement of Financial Condition
December 31, 2025

Statement of Financial Condition
December 31, 2025

Assets		
Cash and cash equivalents	$	280,013,411
Cash and securities segregated under federal and other regulations		1,140,990,328
Receivables from brokers and dealers		417,188,772
Receivables from users		664,581,102
Deposit settlement receivables		11,416,557
Deposits with clearing brokers		1,007,608
User held fractional shares		142,636,049
Due from affiliates		316,519
Right-of-use Assets		5,937,180
Other assets		14,417,851
Total assets	$	2,678,505,377
Liabilities and member's equity		
Payables to users	$	1,986,105,495
Accounts payable and accrued expenses		34,427,718
Due to affiliates		258,256,796
Fractional shares repurchase obligations		142,636,049
Lease liability		7,067,018
Other liabilities		449,918
Total liabilities	$	2,428,942,994
Member's equity		249,562,383
Total liabilities and member's equity	$	2,678,505,377

The accompanying notes are an integral part of this financial statement.

Webull Financial LLC
Notes to the Statement of Financial Condition
December 31, 2025

NOTE 1 - NATURE OF BUSINESS

Organization

Webull Financial LLC (the “Company,” “we,” or “us”) is a limited liability company incorporated in Delaware on May 24, 2017. The Company is wholly owned by its parent and managing member, Webull Holdings (US) Inc. (“Parent”) a Delaware incorporated holding company, whose ultimate parent is Webull Corporation, an exempt company incorporated in the Cayman Islands with limited liability.

Business Overview

The purpose of the Company is to carry on a general securities brokerage business. The security transactions entered into on behalf of the Company's account holders are cleared on both a fully disclosed and omnibus basis by Apex Clearing Corporation (“the Company's Clearing Broker”). The Company is a registered broker-dealer under the Securities Exchange Act of 1934 with the Securities and Exchange Commission (the "SEC") as of January 4, 2018. The Company is also a member of the Financial Industry Regulatory Authority ("FINRA"), the Securities Investor Protection Corporation ("SIPC"), a registered futures commission merchant with the Commodity Futures Trading Commission (“CFTC”), and a member of the National Futures Association (the "NFA"). The Company is licensed to conduct business as a retail securities broker-dealer and operates out of its home office in New York, New York.

In early 2023 the Company introduced a Bank Sweep Program (the "Program"), which automatically transfers uninvested cash balances from eligible brokerage accounts into interest-bearing deposit accounts at one or more participating banks. The Program is designed to provide platform users with FDIC insurance coverage on their cash balances, subject to applicable limits, while earning interest.

In 2024, the Company expanded into futures trading, with ADM Investor Services, Inc. serving as the clearing firm for these transactions. In 2025, the Company further expanded into cleared swaps trading with the clearing firm Kalshi Klear LLC.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Basis of Presentation

The accompanying financial statements and related notes have been prepared in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP").

Use of Estimates in the Financial Statements

The preparation of financial statements, in conformity with U.S. GAAP, requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as reported amounts of revenues and expenses during the reported periods. Making estimates requires management to exercise significant judgment.

It is reasonably possible that the estimate of the effect of a condition, situation, or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate, could change in the future due to one or more future confirming events. Items subject to such estimates include the fair value of financial instruments, user held fractional shares , allowance for doubtful accounts, leases, litigation accruals, equity-based compensation, and other matters that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. These estimates are based on historical experience and on various other assumptions that are believed to be reasonable.

Segment Reporting

We adopted ASU 2023-07 – Segment Reporting (Topic 280): Improvements to Reportable Segments for the year-ended December 31, 2024. Our operating segments are required to be reported in a manner consistent with the internal reporting

provided to a company's Chief Operating Decision Maker ("CODM") who allocates resources to and assesses the performance of the operating segments of an entity. We identified our CODM as our Chief Executive Officer and determined we have only one reportable segment. In making this determination, we considered the fact that our internal reporting used by our CEO is based on the revenues and expenses as whole rather than by segments. The CODM evaluates the Company's performance and allocates resources based on entity-wide financial metrics, including revenue and net profit before technology revenue share expense.

Recently Issued Accounting Pronouncements Not Yet Adopted

There are no new accounting pronouncements that we have not yet adopted that are material to us as of December 31, 2025.

Cash, Cash Equivalents, and Securities Segregated

The Company has defined cash equivalents as highly liquid investments with original maturities of less than ninety (90) days when purchased which are not held for sale in the ordinary course of business.

The Company segregates cash and securities for federal and other regulatory purposes, to protect user assets. As of December 31, 2025, Cash of $ 792,133,828 and Qualified Securities of $348,856,500, which consisted of United States Treasury Bills maturing in less than ninety (90) days, were segregated for regulatory purposes.

Our users may elect to participate in Cash Sweep, which allows them to earn interest on their uninvested brokerage cash. As these balances are automatically swept to our partner banks they are not reflected on the statement of financial condition.

Receivables from and Payables due to users

The Company's receivable from users is primarily made up of margin receivables. These transactions are recorded on settlement date basis. Margin receivables are adequately collateralized by users' marketable securities balances and are reported at their outstanding principal balance, net of an allowance for credit losses. We monitor margin levels and require users to deposit additional collateral, or reduce margin positions, to meet minimum collateral requirements and avoid automatic liquidation of their positions.

We have no expectation of credit losses for margin loans where the fair value of the collateral securing the loans is equal to or in excess of the loaned amount. In cases where the fair value of the collateral is less than the outstanding balance, we recognize an allowance for credit losses in the amount of the difference, or unsecured balance.

Payables due to users included amounts due or held on cash, margin, and futures transactions, which consisted primarily of cash held in user accounts. In February 2025, the Company began facilitating cleared swap transactions for it commodities users under section 4d(f) of the Commodity Exchange Act.

The Company carries brokerage accounts for affiliated entities under common ownership (the "Affiliates") in the ordinary course of business. These accounts are maintained pursuant to standard customer agreements and are subject to substantially the same terms, conditions, and margin requirements as non-affiliated user accounts. Amounts payable to Affiliates represent free credit balances, margin credits, and other customer-related payables arising from securities transactions executed and cleared by the Company on behalf of the Affiliates. Such balances are included in payables to users in the Statement of Financial Condition.

Deposit settlement receivables

Deposit settlement receivables primarily represent short-term timing differences, typically lasting one day, between the initiation and settlement of ACH deposits, as well as the timing of fund movements between user sweep accounts and sweep banks. These differences arise when users receive credit for deposits before they clear at our bank or when transactions occur before funds are returned from sweep banks.

Credit Losses

The Company complies with ASC 326, Financial Instruments - Credit Losses ("ASC 326") which impacts the impairment model for certain financial assets by requiring a current expected credit loss ("CECL") methodology to estimate expected credit losses over the entire life of the financial asset. Under the accounting update, the Company has the ability to determine that there are no expected credit losses in certain circumstances (e.g., based on the credit quality of the user).

The Company's revenues, including but not limited to receivables related to order flow rebates, are impacted by the guidance. The Company's trade receivables as of year-end were current. The Company has not historically experienced credit losses on its trade receivables, which are primarily from market makers and the Company's clearing broker. Accordingly, no provision was made for these receivables.

In accordance with the agreement between the Company and the Company's clearing broker, the Company has an obligation to indemnify the clearing broker to resolve any negative balance in accounts introduced by the Company.

The Company's provision for credit losses in connection with unrecoverable receivables from users mainly includes, but is not limited to, fraudulent, unlawful, or otherwise unusual user behavior, such as when users initiate deposits into their accounts, trade on the Company's platform and incur losses, and then repatriate or reverse the deposits, resulting in a negative balance in users' accounts and losses to the Company.

The Company recognizes an allowance for credit losses, in the amount of the negative balance, immediately when the negative balance in the user's account is identified. Based on our historical experience, we have limited expectations of recovering payment for such balances.

We continuingly take actions to mitigate the occurrence of unrecoverable receivables from users, including improving the account opening process, and verifying trade orders.

The Company has elected to apply the practical expedient permitted under Accounting Standards Codification (ASC) 326 "Financial Instruments – Credit Losses", for secured receivables. Under this expedient, the Company measures expected credit losses based on the fair value of the collateral when the receivable is determined to be fully secured by collateral that is actively monitored and revalued.

As of December 31, 2025 the Company's secured receivables primarily consist of margin loans collateralized by securities in the borrower's account. Given that these receivables are secured by liquid securities with readily determinable fair values, the Company considers the risk of credit loss to be minimal. Accordingly, no material allowance for credit losses has been recorded for these receivables.

The Company continuously evaluates the collateral securing these receivables and adjusts its assessment of credit risk as necessary. If at any point the fair value of the collateral declines below the carrying amount of the receivable, the Company will recognize an expected credit loss accordingly.

Furniture and Equipment

Furniture and equipment, comprised of office equipment, desktop computers, and furniture and fixtures, are recorded at cost and depreciated over their estimated useful lives on a straight-line basis. Major renewals and improvements are capitalized. Furniture and equipment is included in other assets in the statement of financial condition.

Valuation of Investments at Fair Value

The Company accounts for its investments in accordance with ASC 820, Fair Value Measurements ("ASC 820"), which defines fair value, establishes a framework for measuring fair value and requires enhanced disclosures about fair value measurements. Under ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on measurement dates. ASC 820, establishes a hierarchy for inputs used in measuring fair value maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company.

Unobservable inputs reflect the Company's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from investment to investment and are affected by a wide variety of factors, including the type of investment, whether the investment is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgement. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the investments existed.

Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for investments categorized in Level 3. In some cases, the inputs used to measure fair value might be categorized within different levels of the fair value hierarchy. In such cases, the fair value measurement is generally categorized in its entirety in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

Securities owned and securities sold not yet purchased and traded on a national securities exchange are stated at the last quotations on the day of the valuation; other securities for which no sales were reported on that date are stated at the last quoted bid price. Restricted securities or other securities for which quotations are not available are valued by management on an individual basis.

Note 8 presents the year-end values of the Company's Securities owned and securities sold, not yet purchased, which are included in other assets and other liabilities in the statement of financial condition.

There can be no assurance that the Company could purchase or sell a security at the price used to calculate fair value. Changes in the estimated fair value of securities may be less frequent and of greater magnitude than changes in the price of securities valued at their last sale price, by an independent pricing service, or based on market quotations. Those estimated values do not necessarily represent the amounts that may be ultimately realized, due to the occurrence of future circumstances that cannot be reasonably determined.

The Company uses its proprietary securities for its user reward program. New users opening an account receive shares or fractional shares of stock transferred into their account from the Company's portfolio of securities owned. The security or securities the user receives are selected on a lottery based on an algorithm developed by the Company. At the time the security is transferred to the user's account at the clearing broker the Company records a marketing expense and reduces securities owned at fair value. Due to the de minimis investment positions at year end, detailed in the table in Note 8, which were held either in anticipation of being awarded in marketing promotions or because of error trades, the long market value was included in other assets and short securities positions in other liabilities on the Company's statement of financial condition.

Income Taxes

The Company is a disregarded entity for tax purposes. Effective January 1, 2022, the Company adopted the guidance within Accounting Standards Update ("ASU") 2019-12 which specifies that an entity is not required to allocate income tax provision to a legal entity that is both not subject to tax and disregarded by the taxing authority.

The Company, and the Parent's other subsidiaries, are included in the consolidated federal income tax return filed by the Parent. As a result of the adoption of the guidance, the Parent did not allocate the consolidated amount of current and deferred tax expenses to its disregarded subsidiaries, including the Company. Taxes paid by the Company on behalf of the Parent during 2025 were recorded as capital distributions to the Parent.

Lease Accounting

The Company has elected the package of practical expedients permitted in ASU No. 2016-02 Leases (Topic 842). Accordingly, the Company accounted for its existing operating lease as an operating lease under the new guidance, without reassessing (a) whether the contract contains a lease under ASC 842, Lease Accounting ("ASC 842"), (b) whether classification of the operating lease would be different in accordance with ASC 842, or (c) whether the unamortized initial direct costs before transition adjustments (as of December 31, 2019) would have met the definition of initial direct costs in ASC 842 at lease commencement.

The rate used to determine the balance sheet value of the "Right of use ("ROU") asset" and "Lease liability" at lease commencement was an estimate of the Company's Incremental Borrowing Rate ("IBR") which per ASC 842, should be used when the implicit rate cannot be determined from the lease.

The Company defines a short-term lease as a lease that, at the commencement date, has a lease term of 12 months or less and does not contain an option to purchase the underlying asset that the lease is reasonably certain to exercise. The Company elected to recognize short- term lease payments as an expense on a straight-line basis over the lease term. Related variable lease payments are recognized in the period in which the obligation is incurred.

Fractional Share Program

We enable our platform users to purchase and sell fractional shares through our fractional shares program operated by our clearing broker for fully introduced accounts or for accounts cleared on an omnibus basis.

For fully introduced accounts, we have determined that we have no obligation to repurchase customer fractional shares and fractional share transactions do not pass through our accounts. We are acting solely as an agent in the transmission of our platform users' fractional share transactions to Apex Clearing for fulfillment. The platform users are customers of Apex Clearing, and thus Apex Clearing has the repurchase obligation pursuant to the terms

of the Apex Fractional Share Program. Therefore, fractional share balances held by fully introduced accounts are not reflected in our financial statements.

For accounts cleared on an omnibus basis, when platform users purchase fractional shares, their credit balance is reduced and the fractional shares are held at our clearing broker in our omnibus account. We also recognize the cash received for fractional share purchases as pledged collateral recorded as user-held fractional shares with the fractional share repurchase obligation as an offsetting liability, as we determined that we did not meet the criteria for derecognition under ASC 860, Transfers and Servicing.

We have elected to apply fair value measurement to our user-held fractional shares and our repurchase obligation at fair value at each reporting period.

The value of fractional shares held by users cleared on an omnibus basis as of December 31, 2025, was $142,636,049.

Due From Brokers

Receivables from brokers include receivables from market makers for routing user orders for execution and other receivables from third-party brokers. These receivables are short-term and settle within 30 days. We continually review the credit quality of our counterparties and have not experienced a default. As a result, we do not have an expectation of credit losses for these arrangements.

NOTE 3 - RECEIVABLE FROM AND PAYABLE TO CLEARING AND EXECUTING BROKERS

The execution, clearing and depository operations of the Company's and users' securities transactions are provided by the Company's clearing broker. Orders are primarily routed to market makers for execution. For the omnibus accounts, the Company is the carrying broker and custodian of cash balances, while the Company's clearing broker acts as the custodian for the securities positions.

As of December 31, 2025, the amounts due from clearing broker represent cash deposits and margin balances maintained at the Company's clearing broker and receivables for interest, stock loan fees, and other fees and interest earned. Due from brokers primarily represents receivables for equity, options order flow rebates earned on orders routed.

Receivables from brokers and dealers		
Cash balances held by clearing broker	$	391,517,843
Equity and option order flow rebate receivable		25,410,195
Receivable from clearing broker, net		260,735
	$	417,188,773
Deposits with clearing brokers	$	1,007,608

The Company may net receivable and payable balances in the accounts held at its clearing broker.

NOTE 4 – FURNITURE AND EQUIPMENT

Furniture and equipment, which are included in other assets in the statement of financial condition, are stated at cost and are summarized as of December 31, 2025, is as follows:

Furniture & Equipment	$	2,769,465
Less: Accumulated Depreciation		(1,264,686)
	$	1,504,779
Depreciation Expense	$	349,996

NOTE 5 - CONCENTRATIONS, CREDIT RISK AND OFF-BALANCE SHEET RISK

The Company maintains all of its cash in financial institutions. As of December 31, 2025, those cash balances exceed federally insured limits by $1,070,147,239. The Company has not experienced any losses in such accounts and believes it is not subject to any significant credit risk.

In the normal course of business, the Company engages in various investment and brokerage activities on which counterparties primarily include broker-dealers, banks, and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to act only as an agent in a transaction and to review the credit standing of each counterparty as necessary.

Securities sold, not yet purchased represent obligations of the Company to deliver securities at a future date. These transactions result in off-balance sheet risk in an amount by which future fair values may exceed the amount reflected in the statement of financial condition. The Company may, at its discretion, purchase the securities at prevailing market prices at any time. The value of securities sold, not yet purchased at year end was $1,115.

NOTE 6 - NET CAPITAL REQUIREMENTS

The Company is subject to the SEC Uniform Net Capital Rule ("SEC Rule 15c3-1") and operates as a non-clearing FCM subject to CFTC minimum Capital Requirements (“Regulation 1.17”). The Company is required to maintain a minimum net capital, as defined under the rules, equivalent to the greater of 2% of aggregate debit items computed in accordance with the Formula for Determination of Reserve Requirements for Brokers and Dealers in Exhibit A to Rule 15c3-3, or the greater of the sum of 8% of futures customer risk maintenance margin requirement plus 8% of the futures non-customer risk maintenance margin requirement or $1,000,000.

As of December 31, 2025, the Company had a net capital of $200,108,645 which exceeded required net capital by $180,440,570. As an FCM, the Company is required to maintain a risk-based net capital requirement of not less than 110% of CFTC minimum net capital requirement per CFTC Rule 1.17. As of December 31, 2025, the Company’s net capital exceeded this requirement by $178,473,763.

NOTE 7 - CONTINGENCIES

The Company is subject to claims and lawsuits in the ordinary course of business, including arbitration and other litigation, some of which include claims for substantial or unspecified damages. We are also the subject of inquiries, investigations, and proceedings by regulatory and other governmental agencies.
We review our lawsuits, regulatory inquiries, and other legal proceedings on an ongoing basis and provide disclosures and record loss contingencies in accordance with the loss contingencies accounting guidance. If the reasonable estimate is a range and no amount within that range is considered a better estimate than any other amount, an accrual is recorded based on the bottom amount of the range. Accrual for loss contingencies are recorded in accounts payable and accrued expenses on the statement of financial condition. We monitor these matters for developments that would affect the likelihood of a loss and the accrued amount, if any, and adjust the amount as appropriate. As of December 31, 2025, accruals for legal and regulatory loss contingencies totaled $5,356,905.

The securities industry is highly regulated, and many aspects of our business involve substantial risk of liability.

Recently, there has been an increase in litigation and regulatory investigations involving the brokerage industries. Federal and state regulators, exchanges, or other Self-Regulatory Organizations investigate issues related to regulatory compliance that may result in enforcement action. We are also subject to periodic regulatory audits and inspections that could in the future lead to enforcement investigations or actions.

NOTE 8 - FAIR VALUE MEASUREMENT

The following table presents information about the Company's assets and liabilities measured at fair value as of December 31, 2025:

	Level 1	Level 2	Level 3	Total Fair Value
Assets				
Securities owned – Equities (1)	$ 1,207,939	$ -	$ -	$ 1,207,939
Cash and cash equivalents – U.S. Treasury Bills	348,856,500	-	-	348,856,500
User held fractional shares	142,636,049	-	-	142,636,049
Financial assets	$ 492,700,488	$ -	$ -	$ 492,700,488
Liabilities				
Securities sold not yet purchased – Listed equity options	$ 1,115	$ -	$ -	$ 1,115
Fractional shares repurchase obligations	142,636,049	-	-	142,636,049
Financial liabilities	$ 142,637,164	$ -	$ -	$ 142,637,164

(1) Securities owned are recorded in other assets in the statement of financial condition.

NOTE 9 – LEASES

The Company has two leases for its office space. Both leases are for a period of 128 months, terminating August 31, 2032. The lease for 6th floor office has been renewed. The leases are non-cancellable with provisions for assignment or sub-leasing. Payments escalate as scheduled in the lease. The Company accounts for the leases as operating leases, using its incremental borrowing rate of 4.87% and 6.0%, respectively to measure the right of use liability.

Maturities of the obligation under the non-cancelable operating leases as of December 31, 2025, are as follows:

2026	$	1,169,290
2027		1,189,194
2028		1,221,289
2029		1,266,921
2030		1,321,195
Thereafter		2,250,456
Total future minimum lease payments		8,418,345
Less imputed interest		1,351,327
Total	$	7,067,018

Weighted average remaining lease term		6.67
Weighted average discount rate		5.44%
Cash paid for amounts included in measurement of lease liabilities	$	938,331

The lease liability on the statement of financial condition amounts is $7,067,018 as of December 31, 2025. As of December 31, 2025, the Company has security lease deposits on its office of $974,372 which are included in other assets in the statement of financial condition.

NOTE 10 – INDEMNIFICATIONS

In the normal course of its business, the Company indemnifies and guarantees certain service providers, such as the Company's clearing firm, against specified potential losses in connection with their acting as an agent of, or providing services to, the Company. The maximum potential amount of future payments that the Company could be required to make under these indemnifications cannot be estimated.

In the event specified third-party service providers, and third-party brokers, improperly executed transactions, the Company maintains policies and procedures designed to identify, evaluate, and resolve trading errors in a timely and controlled manner. Trading errors may arise from a variety of causes, including order entry mistakes, execution discrepancies, system issues, or other operational events. All identified trading errors are reviewed and evaluated on a case-by-case basis. The determination of responsibility for the error, including whether any resulting gain or loss is borne by the Company, a correspondent, counterparty, or other party, is made based on the specific facts and circumstances surrounding the event. The Company's Risk Management Team is responsible for assessing each trading error and determining the appropriate resolution, including the allocation of any related financial impact. Such determinations are made in accordance with the Company's internal policies, regulatory requirements, and applicable agreements. Any losses determined to be the responsibility of the Company are recognized in the period in which the determination is made.

The Company believes that it is unlikely it will have to make material payments under these arrangements and has not recorded any contingent liability in the financial statements for these indemnifications.

NOTE 11 – EMPLOYEE BENEFIT PLANS – 401(K)

The Company sponsors a non-contributory 401(k) plan (the "Plan") for its employees. This Plan provides for tax-deferred salary deductions for employees meeting certain minimum age and service requirements. Under the Plan, the Company may make discretionary match contributions.

NOTE 12 – RELATED PARTY TRANSACTIONS

The table below sets forth all transactions and balances with related parties of the Company as of and for the year ended December 31, 2025:

		Due to affiliates	Due from affiliates
Water Castle Florida LLC	(1)		$ 68,413
Webull Management LLC	(2)	38,645	
Webull Pay LLC	(3)		248,106
Webull Advisors LLC	(4)	64,691	
Webull Market Limited	(5)	33,768,287	

Webull Securities Limited	(6)	201,221	
Webull Technologies Inc.	(7)	10,180,155	
Webull Technologies Pte. Ltd.	(8)	209,492,727	
Webull Securities (Australia) Pty. Ltd.	(9)	478,671	
Webull Securities (Japan) Co., Ltd.	(10)	321,358	
Webull Securities (Singapore) Pte. Ltd.	(11)	3,711,042	
Total		$ 258,256,797	$ 316,519

(1) Water Castle Florida LLC – The Company remitted fees for general and administrative services on behalf of Water Castle Florida LLC, an affiliated entity. The balance due reflects fees that have been charged but not yet remitted by Water Castle Florida as of December 31, 2025.

(2) Webull Management LLC – Webull Management LLC provides support services to the Company. The balance due reflects unpaid payroll expenses to Webull Management as of December 31, 2025.

(3) Webull Pay LLC – Customers of the Company purchase/redeem and sell cryptocurrencies through Webull Pay LLC, an affiliated entity. The balance due reflects customers' sales of cryptocurrencies that are not yet remitted to the Company by Webull Pay LLC as of December 31, 2025.

(4) Webull Advisors LLC - The Company collects fees from its users on behalf of its affiliated investment advisor, Webull Advisors. The balance due reflects fees collected but not yet remitted to Webull Advisors as of December 31, 2025.

(5) Webull Market Limited - The Company entered into an Intercompany Service Agreement on January 1, 2021, with Webull Market Limited, an affiliated entity based in Hong Kong. Under the agreement, Webull Market Limited provided marketing-related services to the Company until December 31, 2023. The balance due reflects fees allocated in 2023 but not yet remitted to Webull Market Limited as of December 31, 2025.

(6) Webull Securities Limited - Webull Securities Limited (Hong Kong), an affiliated entity based in Hong Kong, entered into an intercompany revolving loan agreement on September 30, 2025, with Webull Corporation, the parent company, to cover margin or settlement requirements at Apex Clearing LLC. Webull Corporation sent funds to the Company to cover the requirements of Webull Securities Limited at Apex Clearing LLC.

(7) Webull Technologies Inc. - The Company entered into a Service Level Agreement on January 1, 2023, with Webull Technologies Inc. ("Webull Tech"), an affiliated entity. Under the terms of the agreement, Webull Tech provides payroll and support services to the Company. The Company is billed for the cost of the service plus an agreed markup when applicable. The Company also entered into a Marketing Support Services Agreement on January 1, 2024, with Webull Tech. Under the terms of the agreement, Webull Tech provides marketing support related services to the Company.

(8) Webull Technologies Pte. Ltd. - The Company entered into a Financial Technology Platform Operation and Cooperation Agreement on January 1, 2023, with Webull Technologies Pte. Ltd., an affiliated entity under common ownership based in Singapore. Under the terms of the agreement, Webull Technologies Pte. Ltd. provides technology infrastructure and platform support services. The Company compensates Webull Technologies Pte. Ltd. under a cost-plus basis in exchange for these services.

(9) Webull Securities (Australia) Pty. Ltd. - Webull Securities (Australia) Pty. Ltd, an affiliated entity based

in Australia, entered into an intercompany revolving loan agreement on November 6, 2025, with Webull Corporation, the parent company, to cover margin or settlement requirements at Apex Clearing LLC. Webull Corporation sent funds to the Company to cover the requirements of Webull Securities (Australia) Pty. Ltd. at Apex Clearing LLC.

(10) Webull Securities (Japan) Co., Ltd. - Webull Securities (Japan) Co., Ltd., an affiliated entity based in Japan, entered into an intercompany revolving loan agreement on July 24, 2025, with Webull Corporation, the parent company, to cover margin or settlement requirements at Apex Clearing LLC. Webull Corporation sent funds to the Company to cover the requirements of Webull Securities (Japan) Co., Ltd. at Apex Clearing LLC.

(11) Webull Securities (Singapore) Pte. Ltd. - Webull Securities (Singapore) Pte. Ltd., an affiliated entity based in Singapore, entered into an intercompany revolving loan agreement on July 8, 2025, with Webull Corporation, the parent company, to cover margin or settlement requirements at Apex Clearing LLC. Webull Corporation sent funds to the Company to cover the requirements of Webull Securities (Singapore) Pte. Ltd. at Apex Clearing LLC.

Webull Financials provides brokerage services to Webull Corporation, the parent entity, in the ordinary course of business. As of December 31, 2025, net payable to Webull Corporation totaled $3,216,485 are included in payables to users in the Statement of Financial Condition. This balance is subject to the same customer protection requirements under SEC Rule 15c3-3 as balances owed to unaffiliated users.

NOTE 13 – MEMBER'S EQUITY

In 2025, the Company made tax payments on behalf of its Parent for 2024 taxes and for quarterly estimated taxes. These tax payments were recorded as capital withdrawals. The total tax payments reflected as capital withdrawals were $8,473,957. In addition, there was capital withdrawal of $7,500,000 during the year. The withdrawal was made at the request of the Parent and was funded by accumulated earnings.

NOTE 14 – REVOLVING CREDIT AGREEMENT

On September 6, 2024, the Company as borrower, and Webull Corporation, as guarantor, entered into a revolving agreement with a national bank (the "Revolving Loan"). The Revolving Loan provides for loans up to an aggregate principal amount of $75,000,000. On February 21, 2025 a new syndicated credit line was approved increasing the principal amount from $75,000,000 to $150,000,000. The Revolving Loan's outstanding principal is prepayable in whole or in part and any outstanding principal matures on February 20, 2026. The syndicated loan is subject to annual review and renewal.

The Revolving Loan requires monthly interest payments made in arrears. The interest payments are calculated using a daily rate that is based on the greater of (i) the secured overnight financing rate ("SOFR") as administered by the Federal Reserve Bank of New York for such day plus 0.11448%, (ii) the Federal Funds Rate for such day, and (iii) 0.25%, plus 2.5% per annum, which was 6.48% as of December 31, 2025. The Company paid $5,781 interest in connection with the Revolving Loan in 2025 and carries no outstanding balance as of December 31, 2025.

The Revolving Loan contains financial covenants. Webull Financial shall at all times maintain (i) a tangible net worth of not less than $135,000,000, (ii) excess net capital of not less than $75,000,000, and (iii) total assets to total regulatory capital ratio of not more than 8.0 to 1.0. As of December 31, 2025, the Company was in compliance with the Revolving Loan's financial covenants.

NOTE 15 – SEGMENT REPORTING

The Company operates as a single reportable segment under Accounting Standards Codification (ASC) 280,

"Segment Reporting", as amended by Accounting Standards Update (ASU) 2023-07. This determination is based on the Company's organizational structure, the financial information reviewed by the CODM, and the nature of its products and services.

The CODM, Anthony Denier, CEO, evaluates the Company's performance and allocates resources based on entity-wide financial metrics, including revenue and net profit, without utilizing additional disaggregated financial information. Given the Company's centralized management and integrated operations, segmental reporting beyond entity-wide disclosures is not required. The CODM evaluates the Company's performance and allocates resources based on entity-wide financial metrics, including revenue and net profit before technology revenue share expense. For the year ended December 31, 2025, three counterparties or market makers account for more than 41% of our revenues. The Company is subject to credit risk to the extent any market maker with which it conducts business is unable to fulfill contractual obligations on its behalf. Management monitors the financial condition of such financial institutions and does not anticipate any losses from these counterparties.

NOTE 16 - SUBSEQUENT EVENTS

Management has evaluated the Company's events and transactions that occurred subsequent to December 31, 2025, through February 27, 2026, the date when the financial statements were issued. There have been no material subsequent events that have occurred during that period that would require adjustment to or disclosure in these financial statements.

Webull Financial LLC

Schedule – I
December 31, 2025

Statement of Segregation Requirements and Funds in Segregation for Customer's Trading on US Commodity Exchanges

Segregation Requirements		
Net ledger balance		
Cash	$	42,299,616
Net unrealized profit (loss) in open futures contracts traded on a contract market		(502,654)
Net equity (deficit)		41,796,962
Accounts liquidating to a deficit and accounts with debit balances – gross amount		7,253
Amount required to be segregated		41,804,215
Funds In Segregated Accounts		
Deposited in segregated funds bank accounts		
Cash		46,496,466
Net equities with other FCMs		
Net liquidating equity		6,901,683
Total amount in segregation		53,398,149
Excess (deficiency) funds in segregation		11,593,934
Management target amount for excess funds in segregation		2,508,253
Excess (deficiency) funds in segregation over (under) management target amount excess	$	9,085,681

There are no material differences between the above and the
Company's FOCUS Part II filing on January 27, 2026, as of December 31, 2025.

Webull Financial LLC

Schedule – II
December 31, 2025

Statement of Secured Amounts and Funds Held in Separate Accounts on Foreign Futures and Foreign Options Customers Pursuant to Commission Regulation 30.7

Foreign Futures And Foreign Options Secured Amounts

Amount required to be set aside pursuant to law, rule or regulation of a foreign government or a rule of a self-regulatory organization authorized thereunder	$	-
Net ledger balance - Foreign futures and foreign option trading - All Customers		
Cash		-
Securities (at market)		-
Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade		-
Exchange traded options		
Market value of open option contracts purchased on a foreign board of trade		-
Market value of open contracts granted (sold) on a foreign board of trade		-
Net equity (deficit)		-
Accounts liquidating to a deficit and accounts with debit balances - gross amount		
Less: amount offset by customer owned securities		-
Amount required to be set aside as the secured amount - Net Liquidating Equity Method		-
Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6	$	-

There are no material differences between the above and the
Company's FOCUS Part II filing on January 27, 2026, as of December 31, 2025.

Webull Financial LLC

Schedule – III
December 31, 2025

Statement of Cleared SWAPS Customer Segregation Requirements and Funds in Cleared SWAPS Customer Accounts Under 4D(F) of CEA

Cleared Swaps Customer Requirements		
Cleared swaps options		
Market value of open cleared swaps option contracts purchased	$	114,340
Net equity (deficit)		114,340
Amount required to be segregated for cleared swaps customers		114,340
Funds In Cleared Swaps Customer Segregated Accounts		
Deposited in cleared swaps customer segregated accounts at banks		
Cash	$	3,811,750
Margins on deposit with derivatives clearing organizations in cleared swaps		-
Customer segregated accounts		
Cash		1,557,667
Cleared swaps options		
Value of open cleared swaps long option contracts		114,340
Total amount in cleared swaps customer segregation		5,483,757
Excess (deficiency) funds in cleared swaps customer segregation		5,369,417
Management target amount for excess funds in cleared swaps segregated accounts		250,000
Excess (deficiency) funds in cleared swaps customer segregated accounts over (under) management target excess	$	5,119,417

There are no material differences between the above and the
Company's FOCUS Part II filing on January 27, 2026, as of December 31, 2025.

Schedule – IV
December 31, 2025

Statement of Segregation Requirements and Funds in Segregation for Customer's Dealer Options Contracts

Amount required to be segregated in accordance with 17 CFR 32.6	$	-
Funds/property in segregated accounts		
Cash		-
Securities (at market value)		-
Total funds/property in segregated accounts		-
Excess (deficiency) funds in segregation	$	-

There are no material differences between the above and the
Company's FOCUS Part II filing on January 27, 2026, as of December 31, 2025.