

MILITIA CAPITAL PARTNERS, LP

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2024

MILITIA CAPITAL PARTNERS, LP

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To the Partners
Militia Capital Partners, LP

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying financial statements of Militia Capital Partners, LP (the "Partnership") which comprise the statement of assets, liabilities, and partners' capital, including the condensed schedule of investments as of December 31, 2024, and the related statements of operations and changes in partners' capital for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2024, and the results of its operations and changes in its partners' capital for the year then ended, 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 (GAAS). 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 the Partnership 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.

Other Matter

The financial statements of Militia Capital Partners, LP for the year ended December 31, 2023, were audited by another firm of Certified Public Accountants whose auditor's report dated June 27, 2024, expressed unmodified opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern within one year after the date that the 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 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 there is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, 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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership'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 Partnership's ability to continue as a going concern for a reasonable period.

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.

Akram & Associates PLLC

Cary, North Carolina
April 09, 2025

MILITIA CAPITAL PARTNERS, LP

STATEMENT OF ASSETS, LIABILITIES, AND PARTNERS' CAPITAL

DECEMBER 31, 2024

Assets

Investments in securities, at fair value (cost \$155,745,353)	\$ 177,082,640
Derivative contracts, at fair value (cost \$8,518,985)	8,665,095
Due from broker	27,568,968
Cash at bank	75,746
Collateral held for securities loaned	85,625
Interest receivable	359,353
Dividends receivable	199,753

Total assets

214,037,180

Liabilities and partners' capital

Securities sold short, at fair value (proceeds \$135,765,897)	123,296,321
Derivative contracts, at fair value (proceeds \$4,189,995)	3,879,550
Payable upon return of securities loaned	85,625
Interest payable	611,275
Dividends payable	510,394
Advance capital contribution	50,000
Capital withdrawal payable	31,676
Withholding tax payable	90,211
Management fee payable	44,486
Accrued expenses and other liabilities	26,596

Total liabilities

128,626,134

Partners' capital

85,411,046

Total liabilities and partners' capital

\$ 214,037,180

MILITIA CAPITAL PARTNERS, LP

CONDENSED SCHEDULE OF INVESTMENTS

DECEMBER 31, 2024

	Number of Shares	Percentage of Partners' Capital	Fair Value
Investments in securities, at fair value			
Common stocks			
United States			
Consumer Discretionary			
Williams-Sonoma, Inc.	25,000	5.4 %	\$ 4,629,500
Other		18.3	15,643,450
Consumer Staples		2.6	2,191,090
Energy		4.8	4,133,139
Financial		25.0	21,352,100
Healthcare		4.1	3,510,246
Industrial		8.6	7,348,139
Real Estate		5.1	4,359,950
Technology		13.4	11,419,013
Total United States (cost \$62,926,097)		87.3	74,586,627
Asia			
Technology			
Hikari Tsushin, Inc.	24,400	6.3	5,351,838
Other		5.6	4,778,857
Consumer Discretionary		7.9	6,715,392
Consumer Staples		1.4	1,220,873
Energy		0.2	209,452
Financial		0.8	696,749
Industrial		12.5	10,681,123
Real Estate		8.0	6,863,176
Total Asia (cost \$32,028,374)		42.7	36,517,460
Europe			
Consumer Discretionary		7.3	6,245,340
Consumer Staples		0.6	491,298
Energy		0.7	628,963
Financial		2.3	1,989,432
Healthcare		0.8	694,422
Industrial		10.6	9,093,313
Real Estate		1.5	1,319,913
Technology		1.9	1,622,778
Total Europe (cost \$20,727,975)		25.7	22,085,459
Canada			
Consumer Discretionary			
Lululemon Athletica Inc.	12,500	5.6	4,780,125
Metals and Mining		0.6	473,724
Energy		0.9	775,555
Financial		2.7	2,270,797
Industrial		0.2	150,380
Real Estate		0.2	134,208
Total Canada (cost \$6,904,028)		10.2	8,584,789
Argentina			
Industrial (cost \$1,814,329)		2.7	2,332,500
Colombia			
Energy (cost \$1,883,364)		2.3	1,962,672
Mexico			
Consumer Discretionary		1.3	1,120,013
Consumer Staples		1.3	1,103,387
Financial		1.4	1,153,186
Real Estate		0.2	180,533
Total Mexico (cost \$3,409,496)		4.2	3,557,119
Total Common stocks (cost \$129,693,663)		175.2	149,626,626

MILITIA CAPITAL PARTNERS, LP

CONDENSED SCHEDULE OF INVESTMENTS (CONTINUED)

DECEMBER 31, 2024

	Number of Shares	Percentage of Partners' Capital	Fair Value
Investments in securities, at fair value			
Exchange traded fund			
United States			
Financial			
Bancolumbia S.A.	99,890	6.2 %	\$ 5,299,165
Other		1.3	1,098,836
Automobile		0.1	45,660
Energy		0.1	50,882
Healthcare		0.8	690,220
Total United States (cost \$6,205,711)		8.5	7,184,763
Canada			
Technology (cost \$368,206)		0.4	312,144
Total exchange traded fund (cost \$6,573,917)		8.9	7,496,907
Depository receipts			
United States			
Energy			
Ecopetrol S.A.	600,700	5.6	4,757,544
Metals and Mining		2.4	2,029,784
Automobile		0.1	74,767
Financial		0.9	796,970
Industrial		4.0	3,419,811
Real Estate		0.1	75,520
Technology		2.4	2,039,532
Total United States (cost \$14,103,069)		15.5	13,193,928
Global			
Financial		0.3	291,600
Technology		0.3	229,837
Total Global (cost \$506,078)		0.6	521,437
Total depository receipts (cost \$14,609,139)		16.1	13,715,365
Public investment companies			
United States			
Energy			
Energy Transfer LP (cost \$4,490,275)	300,000	6.9	5,877,000
Europe			
Financial (cost \$108,958)		0.2	170,338
Total public investment companies (cost \$4,599,233)		7.1	6,047,338
Corporate bonds			
United States			
Energy (cost \$269,393)		0.2	196,404
Total investment in securities, at fair value (cost \$155,745,353)		207.3	177,082,640
Derivatives contracts - assets, at fair value			
Warrants			
United States			
Metals & Mining		0.0	2,694
Technology		0.0	6,100
Total United States (cost \$10,120)		0.0	8,794
Europe			
Technology (cost \$133,664)		0.1	76,064
Total warrants (cost \$143,784)		0.1	84,858

MILITIA CAPITAL PARTNERS, LP

CONDENSED SCHEDULE OF INVESTMENTS (CONTINUED)

DECEMBER 31, 2024

	Number of Contracts	Percentage of Partners' Capital	Fair Value
Derivatives contracts - assets, at fair value			
Call options purchased			
United States			
Financial			
Bancolumbia S.A., expire 01/15/2027	1	0.0 %	\$ 1,271
Other		0.0	411
Energy		0.0	12,760
Index		1.1	900,500
Technology		0.2	149,106
Total United States (cost \$904,533)		1.2	1,064,048
Asia			
Technology (cost \$562,106)		0.7	598,717
Total call options purchased (cost \$1,466,639)		1.9	1,662,765
Put options purchased			
United States			
Financial		0.8	698,274
Consumer Discretionary		2.1	1,787,261
Consumer Staples		1.0	864,251
Energy		0.9	775,590
Industrial		0.2	202,590
Real Estate		0.3	255,695
Technology		1.3	1,070,384
Total put options purchased (cost \$5,992,260)		6.6	5,654,045
Event based contract			
United States			
Prediction Market (cost \$916,302)		1.5	1,263,427
Total derivatives contracts - assets, at fair value (cost \$8,518,985)		10.1	8,665,095
Securities sold short, at fair value			
Common stocks			
United States			
Consumer Discretionary		16.9	14,422,882
Consumer Staples		6.3	5,385,610
Energy		1.8	1,579,263
Financial		7.7	6,610,585
Healthcare		3.5	3,011,814
Industrial		6.7	5,727,372
Real Estate		5.2	4,413,375
Technology		22.1	18,840,071
Total United States (proceeds \$64,538,465)		70.2	59,990,972
Asia			
Technology (proceeds \$449,665)		0.5	438,237
Europe			
Consumer Discretionary		0.4	357,712
Energy		1.1	921,322
Financial		0.1	106,227
Industrial		0.9	754,441
Real Estate		0.1	78,888
Technology		0.8	702,184
Total Europe (proceeds \$3,500,085)		3.4	2,920,774
Canada			
Metals & Mining		0.2	152,830
Industrial		0.2	198,352
Technology		1.2	986,457
Total Canada (proceeds \$1,328,917)		1.6	1,337,639
Australia			
Technology (proceeds \$316,919)		0.3	247,790
Total common stocks (proceeds \$70,134,051)		76.0	64,935,412

MILITIA CAPITAL PARTNERS, LP

CONDENSED SCHEDULE OF INVESTMENTS (CONTINUED)

DECEMBER 31, 2024

	Number of Shares	Percentage of Partners' Capital	Fair Value
Securities sold short, at fair value			
Exchange traded fund			
United States			
Financial			
Global X Russell 2000 Covered Call ETF	1,825,000	34.9 %	\$ 29,820,500
Defiance Nasdaq 100 Enhanced Options & ODTE Income ETF	210,769	7.6	6,504,331
iShares Preferred and Income Securities ETF	160,000	5.9	5,030,400
Other		16.8	14,351,905
Energy		1.9	1,614,400
Total exchange traded fund (proceeds \$64,736,981)		67.1	57,321,536
Depository receipts			
United States			
Technology (proceeds \$792,496)		1.1	916,555
Public investment companies			
United States			
Financial (proceeds \$102,363)		0.1	122,818
Total securities sold short, at fair value (proceeds \$135,765,897)		144.4	123,296,321
Derivative contracts - liabilities, at fair value			
Call options written			
United States			
Consumer Discretionary (proceeds \$2,828,254)		2.3	1,956,055
Canada			
Consumer Discretionary (proceeds \$565,048)		1.6	1,376,250
Total call options written (proceeds \$3,393,302)		3.9	3,332,305
Put options written			
United States			
Consumer Discretionary (proceeds \$796,698)		0.6	547,245
Total derivative contracts - liabilities, at fair value (proceeds 4,189,995)		4.5	3,879,550

MILITIA CAPITAL PARTNERS, LP

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2024

Investment income

Interest	\$ 4,982,716
Dividends (net of foreign withholding taxes of \$290,907)	2,737,023

Total investment income	7,719,739
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Expenses

Management fee	358,523
Dividends on securities sold short	10,103,750
Interest on securities sold short	2,980,761
Interest expense	4,452,186
Administrative fee	59,720
Professional fees and other	111,276

Total expenses	18,066,216
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Net investment (loss)	(10,346,477)
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Realized gain and change in unrealized appreciation from investments and foreign currencies

Net realized gain from investments	10,828,803
Net realized gain from foreign currency transactions	1,253,708
Net change in unrealized appreciation from investments	13,323,143
Net change in unrealized appreciation on assets denominated in foreign currencies	61,135

Net gain from investments and foreign currencies	25,466,789
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Net income	\$ 15,120,312
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MILITIA CAPITAL PARTNERS, LP

STATEMENT OF CHANGES IN PARTNERS' CAPITAL

FOR THE YEAR ENDED DECEMBER 31, 2024

	General Partner	Limited Partners	Total
Partners' capital, beginning of year	\$ 2,082,076	\$ 55,516,996	\$ 57,599,072
Capital contributions	-	19,182,589	19,182,589
Capital withdrawals	(947,720)	(5,543,207)	(6,490,927)
Allocation of net income			
Pro rata allocation	542,426	14,577,886	15,120,312
Performance allocation to General Partner	371,078	(371,078)	-
Net income after performance allocation to General Partner	913,504	14,206,808	15,120,312
Partners' capital, end of year	<u>\$ 2,047,860</u>	<u>\$ 83,363,186</u>	<u>\$ 85,411,046</u>

MILITIA CAPITAL PARTNERS, LP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2024

Cash flows from operating activities

Net income	\$ 15,120,312
Adjustments to reconcile net income to net cash provided by operating activities:	
Net realized gain from investments	(10,828,803)
Net realized gain from foreign currency transactions	(1,253,708)
Net change in unrealized appreciation from investments	(13,323,143)
Net change in unrealized appreciation on assets denominated in foreign currencies	(61,135)
Purchase of investments	(8,083,403,026)
Proceeds from sales of investments	8,102,829,958
Changes in operating assets and liabilities:	
Interest receivable	(283,102)
Dividends receivable	218,901
Interest payable	338,773
Dividends payable	202,304
Withholding tax payable	90,211
Management fee payable	10,184
Accrued expenses and other liabilities	(14,174)

Net cash provided by operating activities

9,643,552

Cash flows from financing activities

Proceeds from capital contributions, net of change in advance capital contribution	18,882,589
Payments for capital withdrawals, net of change in capital withdrawal payable	(6,842,824)

Net cash provided by financing activities

12,039,765

Net change in cash and cash equivalents (including restricted cash)

21,683,317

Cash and cash equivalents (including restricted cash), beginning of year

5,961,397

Cash and cash equivalents (including restricted cash), end of year

27,644,714

Cash and cash equivalents (including restricted cash) include:

Cash at bank	75,746
Due from broker	27,568,968
	27,644,714

Supplemental disclosure of cash flow information

Cash paid during the year for interest	\$ 7,094,174
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MILITIA CAPITAL PARTNERS, LP

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Militia Capital Partners, LP (the "Partnership"), a Delaware limited partnership, commenced operations on January 14, 2021. The Partnership's investment objective is to provide absolute returns to its investors through the implementation of a leveraged long-short investment strategy focused on capturing market inefficiencies. Exposure levels are adjusted based on market conditions, with a target of maintaining a net long position to optimize returns.

Militia Capital Management, LLC (the "General Partner"), a Delaware limited liability company, serves as the General Partner of the Partnership. The General Partner is primarily responsible for the management of the Partnership.

Basis of Presentation

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and stated in U.S. dollars. The Partnership is an investment company and follows the accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946, Financial Services – Investment Companies.

Use of Estimates

Preparing financial statements in accordance with GAAP requires management to make estimates and assumptions in determining the reported amounts of assets and liabilities, including the fair value of investments and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents and Restricted Cash

Cash represents cash on hand and demand deposits held at financial institutions. Cash equivalents include short-term, highly liquid investments of sufficient credit quality that are readily convertible to known amounts of cash and have maturity of three months or less when purchased. Cash equivalents are carried at cost, plus accrued interest, which approximates fair value. Cash equivalents are held to meet short-term liquidity requirements, rather than for investment purposes. Cash and cash equivalents are held at major financial institutions and are subject to credit risk to the extent those balances exceed applicable Federal Deposit Insurance Corporation (FDIC) or Securities Investor Protection Corporation (SIPC) limitations.

Restricted cash is subject to a legal or contractual restriction by third parties as well as a restriction as to withdrawal or use, including restrictions that require the funds to be used for a specified purpose and restrictions that limit the purpose for which the funds can be used. The Partnership considers cash pledged as collateral for securities sold short and cash collateral posted with counterparties for derivative contracts to be restricted cash.

Investment Transactions and Related Investment Income

Investment transactions are recorded on a trade-date basis and are carried out at fair value. Realized gains or losses on investments transactions are determined using cost calculated on a first-in- first out basis. All changes in valuation of portfolio investments are included as changes in the unrealized appreciation or depreciation of investments in the statement of operations. Dividend income is recorded on the ex-dividend date and interest income is recorded on the accrual basis. Withholding taxes on foreign dividends have been provided for in accordance with the Partnership's understanding of the applicable country's tax rules and rates.

MILITIA CAPITAL PARTNERS, LP

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Derivative Contracts

The Partnership records derivative contracts at fair value. Changes in the fair value of derivative contracts are recorded as unrealized appreciation or depreciation. The Partnership generally records a realized gain or loss on the expiration, termination, or settlement of a derivative contract.

Foreign Currency Translation

Assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Transactions denominated in foreign currencies, including purchases and sales of investments and income and expenses, are translated into U.S. dollar amounts on the date of such transactions. Adjustments arising from foreign currency transactions and translation of assets and liabilities denominated in foreign currencies are reflected in the statement of operations.

The Partnership isolates that portion of the results of operations arising from the effect of changes in foreign exchange rates on investments from fluctuations arising from changes in market prices of investments held.

Reported net realized gain or (loss) on foreign currency transactions arise from sales of foreign securities, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Partnership's books and the U.S. dollar equivalent of the amounts actually received or paid.

Net change in unrealized appreciation or (depreciation) on translation of assets and liabilities in foreign currencies arises from changes in the fair values of assets and liabilities, other than investments in securities at the end of the period, resulting from changes in exchange rates.

Fair Value - Definition and Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

The Partnership determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Partnership has the ability to access.

Level 2 - Valuations based on inputs, other than quoted prices included in Level 1 that 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 judgment.

MILITIA CAPITAL PARTNERS, LP

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Fair Value - Definition and Hierarchy (Continued)

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 Partnership in determining fair value is greatest for investments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement.

Fair Value - Valuation Techniques and Inputs

Equity Securities

Securities which are listed on one or more United States or foreign securities exchanges or are traded on a recognized over-the-counter market (including the NASDAQ), or for which market quotations are available shall be valued at their last reported sales price on the date of determination on the primary exchange or market on which such securities are traded or, if no sale occurred on the valuation date, the value for long positions shall be the "last bid" and the value for short positions shall be the "last ask" (or, if on such date securities markets were closed, then the last preceding business day on which they were open). To the extent these securities are actively traded, and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. Securities traded on inactive markets or valued by reference to similar instruments are generally categorized in Level 2 of the fair value hierarchy.

Corporate bonds

The Partnership values corporate bonds using recently executed transactions of the issuer or comparable issuers, market price quotations (when observable), broker or dealer quotations, matrix pricing, or a discounted cash flow model that factors in, where applicable, interest rate yield curves, bond spreads, or credit default swap spreads. Corporate bonds are generally categorized in Level 2 of the fair value hierarchy. In instances where significant inputs are unobservable, corporate bonds are categorized in Level 3 of the fair value hierarchy.

Warrants

The Partnership values warrants that are traded on an exchange at their last reported sales price. The Partnership values OTC warrants using the Black-Scholes option pricing model, which takes into account the contract terms (including the strike price and contract maturity) and multiple inputs (including time value, volatility, equity prices, interest rates, and currency rates). Warrants that are traded on an exchange in an active market are generally classified in Level 1 of the fair value hierarchy. Warrants that are traded on the OTC market are generally classified in Level 2 or 3 of the fair value hierarchy.

Option contracts

Options generally are valued at the last sales price unless the last sale price is outside of the "bid" and "ask" range, in which case, the option is valued at the average of the "bid" and "ask" prices. In the event that the date of determination is not a date upon which the applicable exchange was open for trading, such options are valued at the price determined on the last prior date on which the applicable exchange was so open. Any options for which recent market quotations are not readily available, or for which no "bid" and "ask" prices are available is valued at fair value as determined in good faith by the Investment Manager, which may be in consultation with the administrator and which determination is final. Depending on the frequency of trading, options are generally categorized in Level 1 or Level 2 of the fair value hierarchy.

MILITIA CAPITAL PARTNERS, LP

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Income Taxes

The Partnership does not record a provision for U.S. federal, state, or local income taxes because the partners report their share of the Partnership's income or loss on their income tax returns. Further, certain non-United States dividend income may be subject to a tax at prevailing treaty or standard withholding rates with the applicable country or local jurisdiction. The Partnership files an income tax return in the U.S. federal jurisdiction and may file income tax returns in various U.S. states. The Partnership is subject to income tax examinations by major taxing authorities for all years since its inception. The Partnership is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement with the relevant taxing authorities. Based on its analysis, the Partnership has determined that it has not incurred any liability for unrecognized tax benefits as of December 31, 2024.

The Partnership does not expect that its assessment regarding unrecognized tax benefits will materially change over the next twelve months. However, the Partnership's conclusions may be subject to review and adjustment at a later date based on factors including, but not limited to, questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, compliance with U.S. federal, U.S. state and foreign tax laws, and changes in the administrative practices and precedents of the relevant taxing authorities. The Partnership has elected an accounting policy to classify interest and penalties, if any, as interest expense. The General Partner has concluded there is no tax expense or interest expense related to uncertainties in income tax positions for the year December 31, 2024.

Withholding Tax Payable

The Partnership is required by the IRS to withhold certain taxes on Fixed or Determinable, Annual or Periodic ("FDAP") income allocated to non-U.S. investors under Code Section 1441. The General Partner estimates the tax liability due under these rules based on estimates of FDAP income allocated to non-U.S. investors for the year and allocates this withholding specifically to the capital accounts of limited partners who are non-U.S. residents. For the year ended December 31, 2024, the Partnership estimated a tax liability of \$413,165, of which \$90,211 remains outstanding.

Securities Lending

The Partnership accounts for the receipt of cash collateral for securities loaned as a secured borrowing whereby it records an asset for cash collateral received and a corresponding liability for the obligation to return the collateral to the counterparty. See Note 6 for details of the Partnership's securities lending agreement.

Capital Withdrawal Payable

Withdrawals are recognized as liabilities when the amount requested in the withdrawal notice becomes fixed, which generally occurs on the last day of a calendar quarter. As a result, withdrawals paid after the end of the year, based on partners' capital balances at year-end, are included in capital withdrawal payable. Withdrawal notices received for which the dollar amount is not fixed remain in partners' capital until the amount is determined. As of December 31, 2024, the Partnership had \$31,676 capital withdrawal payable in the statement of assets, liabilities, and partners' capital.

Advance Capital Contribution

Advance capital contribution represent amount received from limited partner for contribution with an effective date after December 31, 2024.

MILITIA CAPITAL PARTNERS, LP

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

2. Fair Value Measurements

The Partnership's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy as described in the Partnership's significant accounting policies in Note 1.

The following table presents information about the Partnership's assets measured at fair value as of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Assets, at fair value				
Investments in securities, at fair value				
Common stocks	\$ 149,626,626	-	-	\$ 149,626,626
Exchange-traded funds	7,496,907	-	-	7,496,907
Depository receipts	13,715,365	-	-	13,715,365
Public investment companies	6,047,338	-	-	6,047,338
Corporate bonds	-	\$ 196,404	-	196,404
Total investments in securities, at fair value	176,886,236	196,404	-	177,082,640
Derivative contracts - assets, at fair value				
Warrants	84,858	-	-	84,858
Call options purchased	1,662,765	-	-	1,662,765
Put options purchased	5,654,045	-	-	5,654,045
Event based contract	-	1,263,427	-	1,263,427
Total derivative contracts - assets, at fair value	7,401,668	1,263,427	-	8,665,095
Total assets, at fair value	\$ 184,287,904	\$ 1,459,831	-	\$ 185,747,735

The following table presents information about the Partnership's liabilities measured at fair value as of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Liabilities, at fair value				
Securities sold short, at fair value				
Common stocks	\$ 64,935,412	-	-	\$ 64,935,412
Exchange-traded funds	57,321,536	-	-	57,321,536
Depository receipts	916,555	-	-	916,555
Public investment companies	122,818	-	-	122,818
Total securities sold short, at fair value	123,296,321	-	-	123,296,321
Derivative contracts - liabilities, at fair value				
Call options written	3,332,305	-	-	3,332,305
Put options written	547,245	-	-	547,245
Total derivative contracts - liabilities, at fair value	3,879,550	-	-	3,879,550
Total liabilities, at fair value	\$ 127,175,871	-	-	\$ 127,175,871

The Partnership's transfer between levels are recognized at the end of the reporting period. For the year ended December 31, 2024, there were no transfers between levels.

MILITIA CAPITAL PARTNERS, LP

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

3. Derivative Contracts

In the normal course of business, the Partnership utilizes derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The primary underlying risk of the Partnership's derivative activities and exposure to derivative contracts is equity price risk. In addition to this primary underlying risk, the Partnership is also subject to additional counterparty risk due to the inability of its counterparties to meet the terms of their contracts.

Warrants

The Partnership may purchase warrants to gain exposure to potential price appreciation in the underlying securities. Warrants provide the Partnership with the right, but not the obligation, to purchase the underlying equity at a specified price within a predetermined period. These instruments are typically used for strategic investment purposes or to enhance returns within the Partnership's portfolio.

The value of a warrant has two components: time value and intrinsic value. A warrant has a limited life and expires on a certain date. As the expiration date of a warrant approaches, the time value of a warrant will decline. In addition, if the stock underlying the warrant declines in price, the intrinsic value of an in-the-money warrant will decline. Further, if the price of the stock underlying the warrant does not exceed the strike price of the warrant on the expiration date, the warrant will expire worthless. As a result, the Partnership could potentially lose its entire investment in a warrant. The Partnership is exposed to counterparty risk from the potential failure of an issuer of warrants to settle its exercised warrants. The maximum risk of loss from counterparty risk to the Partnership is the fair value of the contracts. The Partnership considers the effects of counterparty risk when determining the fair value of its warrants.

Options Contracts

The Partnership may enter into options to speculate on the price movements of the financial instrument or currency underlying the option, or for use as an economic hedge against certain positions held in the Partnership's portfolio holdings. Option contracts purchased give the Partnership the right, but not obligation, to buy or sell within a limited time, a financial instrument, commodity, or currency at a contracted price that may also be settled in cash, based on differentials between specified indices or prices. Options written obligate the Partnership to buy or sell within a limited time, a financial instrument, commodity, or currency at a contracted price that may also be settled in cash, based on differentials between specified indices or prices. When the Partnership writes an option, an amount equal to the premium received by the Partnership is recorded as a liability and is subsequently adjusted to the current fair value of the option written. Options written by the Partnership may expose the Partnership to the market risk of an unfavorable change in the financial instrument underlying the written option.

For some OTC options, the Partnership may be exposed to counterparty risk from the potential that a seller of an option contract does not sell or purchase the underlying assets as agreed under the terms of the option contract. The maximum risk of loss from counterparty risk to the Partnership is the fair value of the contracts and premiums paid to purchase its open-option contracts. In these instances, the Partnership considers the credit risk of the intermediary counterparty to its option transactions in evaluating potential credit risk.

Event-Based Contracts

The Partnership may enter into event-based contracts classified as derivative contracts under prediction markets. These contracts are structured to provide payouts based on the occurrence or outcome of specific events, such as economic indicators, political developments, or other predefined conditions. The Partnership may engage in such contracts for speculative purposes or as an economic hedge against certain risks in its portfolio.

MILITIA CAPITAL PARTNERS, LP

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

3. Derivative Contracts (Continued)

Event-Based Contracts (Continued)

The fair value of event-based contracts is determined by prevailing market conditions, probability assessments of the underlying event, and contractual settlement terms. The Partnership may be exposed to market risk arising from unfavorable changes in the perceived likelihood of the event occurring.

Additionally, for over-the-counter (OTC) event-based contracts, the Partnership may be subject to counterparty credit risk in the event that the contract counterparty fails to fulfill its contractual obligations. The maximum risk of loss to the Partnership is generally limited to the fair value of the contracts and any premiums or margins paid.

Volume of Derivative Activities

As of December 31, 2024, the volume of the Partnership's derivative activities based on their notional amounts and number of contracts, categorized by primary underlying risk, are as follows:

<u>Primary underlying risk</u>	<u>Long Exposure</u>		<u>Short Exposure</u>	
	<u>Notional Amounts</u>	<u>Number of Contracts</u>	<u>Notional Amounts</u>	<u>Number of Contracts</u>
Equity price risk				
Option contracts	\$ 78,194,223	47,376	\$ 44,616,470	15,471
Warrants	1,945,829	388,925		
Prediction risk				
Event based contracts	1,263,427	1,276,189	-	-
Total	<u>\$ 81,403,479</u>	<u>1,712,490</u>	<u>\$ 44,616,470</u>	<u>15,471</u>

Notional amounts presented for options, warrants and event based contracts are calculated based on the average fair value of the underlying shares as if the options and warrants were exercised as of December 31, 2024. Number of contracts is based on the number of option contracts, warrants and event based contracts held by the Partnership at December 31, 2024.

4. Due From Broker

Amounts due from broker represent cash balances held at broker and may be restricted to the extent that they serve as deposits for securities sold short.

In the normal course of business, substantially all of the Partnership's securities transactions, money balances and security positions are transacted with the Partnership's broker: Interactive Brokers LLC. The Partnership is subject to credit risk to the extent any broker with which it conducts business is unable to fulfill contractual obligations on its behalf. The Partnership's management monitors the financial condition of such a broker and does not anticipate any losses from this counterparty. As of December 31, 2024, the Partnership had \$27,568,968 due from broker.

5. Securities Sold Short

The Partnership is subject to certain inherent risks arising from its investing activities of selling securities short. The ultimate cost to the Partnership to acquire these securities may exceed the liability reflected in these financial statements.

MILITIA CAPITAL PARTNERS, LP

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

6. Collateralized Financing Arrangements

Securities Lending Agreement

The Partnership may lend securities to various financial institutions, principally to broker-dealers. Such transactions are secured by collateral such as cash, securities, or standby letters of credit, the fair value of which, at all times, is required to be at least equal, to the fair value of securities loaned. If the collateral is cash, the Partnership normally earns a return by investing that cash typically in short-term, high quality debt instruments. Investments of cash collateral are subject to the Partnership's investment restrictions. A rebate for a portion of the interest earned on the cash collateral is paid to the security lending agent for arranging the transaction. If the collateral is other than cash, the Partnership typically receives a fee as compensation for the securities loaned. The Partnership receives amounts from the borrower equivalent to dividends and interest on the securities loaned.

The Partnership has the right to recover the securities loaned from the counterparty on demand. If the counterparty fails to deliver the securities on a timely basis, the Partnership could experience delays or loss on recovery. In addition, the Partnership is subject to risk of loss from investments made with cash collateral received. In the event of default, the Partnership has the right to use the collateral to offset the net amount owed by the counterparty.

As of December 31, 2024, the Partnership loaned common stocks with a fair value of \$81,132 and received collateral amounting to \$85,625.

7. Partners' Capital

Contributions

The minimum initial capital contribution to the Partnership is \$50,000 subject to the General Partner's sole discretion to accept subscriptions for lesser amounts. New Limited Partners may be admitted to the Partnership, and existing Limited Partners may make additional capital contributions in amounts of not less than \$10,000, with the consent of the General Partner and subject to its sole and absolute discretion to accept lesser amounts, as of the first business day of any calendar quarter, or at any other time the General Partner chooses to accept such initial or additional contributions. The General Partner may, in its sole discretion, elect to temporarily or permanently suspend the ability of investors to contribute capital to the Partnership.

For the year ended December 31, 2024, the Partnership had contributions of \$19,182,589.

Withdrawals

A Limited Partner will be generally permitted to make withdrawals from its Capital Account as of the last business day of any calendar quarter, or such other date as the General Partner may determine in its discretion, provided that, the Partnership receives at least 90 days' written notice of such withdrawal prior to the applicable withdrawal date.

Payments for withdrawals are generally made within 30 days of the effective withdrawal date. However, in the event that a partner withdraws 95% or more of the Partnerships from such partner's capital account (or if a withdrawal, when combined with all other withdrawals effected by such partner during the preceding twelve months, would result in such partner having withdrawn 95% or more of its capital account during such period), a portion (generally not to exceed 5%) of the withdrawal payment will be retained in the General Partner's discretion pending completion of the annual audit of the Partnership's financial statements for the fiscal year in which the withdrawal occurs. A limited partner will not be entitled to interest on any amount withheld.

For the year ended December 31, 2024, the Partnership had a withdrawal of \$6,490,927.

MILITIA CAPITAL PARTNERS, LP

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

7. Partners' Capital (Continued)

Allocation of Income or (Loss)

At the end of each accounting period of the Partnership, any net profit or (loss) is allocated to the capital accounts of all partners in proportion to their respective allocation percentages for such period. For this purpose, each accounting period will end at the close of each quarter, at any other time a partner makes an additional capital contribution or effects a withdrawal, and at such other times as the General Partner may determine. Net profit and (loss) are determined on an accrual basis of accounting in accordance with GAAP and are deemed to include net unrealized profits or losses on investment positions as of the end of each accounting period, as well as Partnership expenses.

8. Related Party Transactions

The Partnership considers the General Partner, their principal owners, members of management, members of their immediate families, and entities under common control to be related parties to the Partnership. Amounts due from and due to related parties are generally settled in the normal course of business without formal payment terms.

The General Partner receives a management fee paid quarterly in arrear equal to 0.125% (1.5% per annum) of the closing capital account balance of each limited partner for such a calendar quarter. The management fee will be appropriately pro-rated to reflect any capital contributions which occur during a quarter. The capital account of a limited partner making a withdrawal other than the last day of a quarter will be charged a pro rata portion of the management fee immediately prior to such withdrawal based on the number of days elapsed during such quarter and the portion withdrawn from such capital account. The General Partner may, in its sole discretion, enter into arrangements with limited partners under which the management fee is reduced, waived or calculated differently.

For the year ended December 31, 2024, a total management fee of \$358,523 was incurred by the Partnership of which \$44,486 was payable as of December 31, 2024.

The General Partner also receives an annual performance profit allocation in an amount equal to 25% of the net profit allocated to each limited partner during each calendar year in excess of an amount equal to the product of (A) the return achieved by the S&P 500 Total Return Index for such year and (B) each partner's beginning capital account balance for such year as adjusted for any cumulative and unrecouped losses allocated to such partner provided that, such performance allocation will be subject to a loss carry-forward provision, also known as a high water mark, so that the performance allocation will only be deducted from a limited partner's capital account to the extent that such limited partner's allocation of such profit causes its capital account balance, measured on a cumulative basis and net of any losses, to exceed such limited partner's highest historic capital account balance as of the end of any prior year or, if higher, such limited partner's capital account balance immediately following its admission to the Partnership. For a limited partner that effects a partial or complete withdrawal from its capital account on a date other than the last day of a calendar year, the performance allocation, if any, in respect of the amount to be withdrawn will be computed as of the effective withdrawal date applicable to such withdrawal and will be applied against the withdrawal proceeds payable to such limited partner.

For the year ended December 31, 2024, the General Partner earned performance allocation of \$371,078.

9. Administrative Fee

Fund Associates, LLC (the "Administrator") serves as the Partnership's Administrator and performs certain administrative and clerical services on behalf of the Partnership. For the period ended December 31, 2024, the Partnership incurred \$59,720 for administrative fee which is included on the statement of operations, of which \$10,390 was payable as of December 31, 2024.

MILITIA CAPITAL PARTNERS, LP

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

10. Indemnifications

The limited partnership agreement provides general indemnifications to the General Partner and its respective affiliates, shareholders, members, partners, managers, directors, officers, and employees when acting in good faith on behalf of the Partnership. The Partnership's maximum exposure under these arrangements is unknown. However, the Partnership has not had prior claims or losses pursuant to these contracts. The General Partner is unable to estimate any potential future payment amounts and expects the risk of any such loss to be remote, accordingly no accrual has been made for a liability as of December 31, 2024.

11. Risk Factors

During the normal course of business, the Partnership's cash is held with Axos Bank (the "Bank") and Interactive Brokers LLC (the "Broker"). The cash balance in each financial institution is insured by the Federal Deposit Insurance Corporation (FDIC) and Securities Investor Protection Corporation ("SIPC") up to \$250,000.

As of December 31, 2024, the Partnership holds \$75,746 with the Bank, which is not exposed to potential credit risk, but the Partnership holds \$27,568,968 with the broker, which is exposed to potential credit risk amounting to \$27,318,968 if the institution is unable to meet its obligations. However, Partnership management actively monitors the financial stability of the Bank and Broker and does not anticipate any losses.

In the normal course of business, the Partnership invests in publicly traded securities where the risk of potential loss due to market risk, credit risk, and other risks can equal or exceed the related amounts recorded. The success of any investment activity is influenced by general economic conditions that may affect the level and volatility of equity prices, credit spreads, and the extent and timing of investor participation in the markets for both equity and interest rate-sensitive investments.

Investing in corporate bonds entails the risk of default, wherein the issuing company may be unable to meet its financial obligations to pay interest or repay the principal amount on the bond.

The Partnership invests in derivative contracts, which are subject to significant price volatility. This exposure places the Partnership at risk of credit, liquidity, and market fluctuations. Such variability can lead to changes in the value of the Partnership's position, potentially impacting on its financial condition and operational results.

The Partnership is subject to risks arising from short selling activities involving both securities and derivatives during the year. Short selling involves obligations to repurchase securities or settle derivative contracts at potentially unfavorable prices, which may result in losses if market prices increase. Additionally, the Partnership may face challenges in sourcing borrowable securities or maintaining derivative positions, which could require the Partnership to close positions at higher costs. These activities are also subject to counterparty credit risks and potential regulatory changes that could impact on the Partnership's operations.

The functional currency of the Partnership is the U.S. dollar. The Partnership may invest in financial instruments denominated in currencies other than its functional currency. Consequently, the Partnership is exposed to risks that the exchange rate of its currency relative to other currencies may change in a manner that has an adverse effect on the value of the portion of the Partnership's assets or liabilities denominated in currencies other than U.S. dollars.

MILITIA CAPITAL PARTNERS, LP

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

12. Financial Highlights

Financial highlights for the year ended December 31, 2024, are as follows:

Total return

Total return before performance allocation to General Partner	26.3 %
Performance allocation to General Partner	(0.7)
Total return after performance allocation to General Partner	25.6

Ratios to average limited partners' capital

Expenses (including interest and dividends)	24.2
Performance allocation to General Partner	0.5
Expenses and performance allocation to General Partner	24.7

Net investment loss

(14.9) %

Financial highlights are calculated for each limited partners class taken as a whole. An individual limited partner's return and ratios may vary based on different performance allocation and/or management fee arrangements and the timing of capital transactions. The net investment (loss) ratio do no reflect the effect of the performance allocation to General Partner.

13. Subsequent Events

From January 01, 2025, through April 09, 2025, the Partnership accepted capital contributions of \$4,881,000 of which \$50,000 was included in advance capital contribution in the statement of assets, liabilities, and partners' capital as of December 31, 2024.

From January 01, 2025, through April 09, 2025, the Partnership paid capital withdrawals of \$121,646 of which \$31,646 was included in capital withdrawal payable in the statement of assets, liabilities, and partners' capital as of December 31, 2024.

These financial statements were approved by management and available for issuance on April 09, 2025. Subsequent events have been evaluated through this date.