
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 30, 2026 (July 15, 2026)

STARK NOVUS FINANCIAL INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-38821
(Commission
File Number)

83-2533239
(IRS Employer
Identification No.)

1700 Broadway, 19th Floor
New York, New York 10019
(Address of principal executive offices) (Zip Code)

(212) 202-2200
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered or to be registered pursuant to Section 12(b) of the Act: None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

EXPLANATORY NOTE

On July 15, 2026, Affinity Advisory Holdings Corp., a Delaware corporation and a wholly-owned subsidiary of Stark Novus Financial Inc. (formerly Nu Ride Inc.) (the “Company”) completed its previously announced acquisition of Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC (together, “Affinity”), in accordance with the terms and conditions of the previously announced Membership Interest Purchase Agreement, dated June 2, 2026 (the “Transaction”), as previously disclosed in the Company’s Current Report on Form 8-K filed on July 21, 2026 (the “Original 8-K”). This Current Report on Form 8-K/A is being filed to amend Item 9.01 of the Original 8-K to include the financial statements of Affinity and pro forma financial information required by Item 9.01 of Form 8-K (this “Amendment No. 1”).

The pro forma financial information included in this Amendment No. 1 has been presented for informational purposes only, as required by Form 8-K. It does not purport to represent the actual results of operations that the Company and Affinity would have achieved had the companies been combined during the periods presented in the pro forma financial information, and is not intended to project the future results of operations that the combined company may achieve after completion of the Transaction. Except as described above, this Amendment No. 1 does not otherwise amend, modify, or update the disclosures contained in the Original 8-K.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired

The audited combined financial statements of Affinity as of and for the year ended December 31, 2025 are filed as Exhibit 99.1 hereto and are incorporated herein by reference.

The unaudited condensed combined financial statements of Affinity as of June 30, 2026 and for the period from January 1, 2026 through June 30, 2026 are filed as Exhibit 99.2 hereto and are incorporated herein by reference.

(b) Pro Forma Financial Information

The unaudited pro forma condensed combined balance as of June 30, 2026, giving effect to the Transaction as if it had occurred on June 30, 2026, and the unaudited pro forma condensed combined statement of operations for the year ended December 31, 2025 and for the six months ended June 30, 2026, giving effect to the Transaction as if it had occurred on January 1, 2025, are filed as Exhibit 99.3 hereto and are incorporated by reference.

(d) Exhibits

Exhibit No.	Description
99.1	Audited combined financial statements of Affinity as of and for the year ended December 31, 2025
99.2	Unaudited condensed combined financial statements of Affinity as of June 30, 2026 and for the period from January 1, 2026 through June 30, 2026.
99.3	Unaudited pro forma financial information as of and for the six months ended June 30, 2026 and for the year ended December 31, 2025
104	Cover Page Interactive Data File (formatted as inline XBRL)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

STARK NOVUS FINANCIAL INC.

Date: September 30, 2026

/s/ Alexander Matina
Alexander Matina
Chief Executive Officer

AFFINITY ADVISORY NETWORK, LLC and AAN WEALTH ADVISORS, LLC
Combined Financial Statements
As of and for the Year Ended December 31, 2025

Canton, Ohio

COMBINED FINANCIAL STATEMENTS

Including Report of Independent Auditors

As of and for the Year Ended December 31, 2025

Page 2

Table of Contents

<u>Independent Auditor's Report</u>	4-5
Combined Financial Statements:	
<u>Balance Sheet as of December 31, 2025</u>	6
<u>Statement of Income for the Year Ended December 31, 2025</u>	7
<u>Statement of Changes in Members' Equity (Deficit) for the Year Ended December 31, 2025</u>	8
<u>Statement of Cash Flows for the Year Ended December 31, 2025</u>	9
<u>Notes to Combined Financial Statements</u>	10-16

Report of Independent Auditors

To the Board of Directors and Members of Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC

Canton, Ohio

Opinion

We have audited the combined financial statements of Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC (the “Company”), which comprise the combined balance sheet as of December 31, 2025, and the related combined statements of income, changes in members’ equity (deficit), and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations and its cash flows 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 Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern within one year after the date that the combined 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 combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined 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 combined 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 combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

/s/ BDO USA, P.C.

Troy, Michigan

September 30, 2026

Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC
Combined Balance Sheet

(in thousands)

December 31, 2025

ASSETS	
Current assets:	
Cash and cash equivalents	\$ 146
Receivables	314
Total current assets	\$ 460
Furniture and equipment, net	—
Right-of-use assets	216
Total assets	\$ 676
LIABILITIES AND MEMBERS' DEFICIT	
Current liabilities:	
Accounts payable	\$ —
Accrued expenses and other current liabilities	578
Lease liabilities, current	126
Total current liabilities	\$ 704
Line of credit	245
Lease liabilities, net of current portion	87
Total liabilities	\$ 1,036
Commitments and contingencies (Note 7):	
Members' deficit	
Members' deficit	\$ (360)
Total members' deficit	\$ (360)
Total liabilities and members' deficit	\$ 676

See accompanying notes to combined financial statements.

Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC
Combined Statement of Income

<i>(in thousands)</i>	For the Year Ended December 31, 2025
Revenue:	
Advisory fees	\$ 3,115
Wealth management fees	795
Total revenue	<u>\$ 3,910</u>
Cost of services:	
Professional compensation	\$ 234
Subcontractor and contract labor costs	1,066
Total cost of services	<u>\$ 1,300</u>
Gross profit	\$ 2,610
Operating expenses:	
General and administrative	\$ 1,155
Occupancy and facilities	127
Marketing and advertising	276
Total operating expenses	<u>\$ 1,558</u>
Income from operations	\$ 1,052
Other expense:	
Interest expense	\$ 44
Other expense, net	2
Total other expense, net	<u>\$ 46</u>
Net income	<u><u>\$ 1,006</u></u>

See accompanying notes to combined financial statements.

Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC
Combined Statement of Changes in Members' Equity (Deficit)

For the Year Ended December 31, 2025

<i>(in thousands)</i>	Total Members' Equity (Deficit)	
Balance at December 31, 2024	\$	7
Members' draw		(1,373)
Net income		1,006
Balance at December 31, 2025	\$	<u>(360)</u>

See accompanying notes to combined financial statements.

Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC
Combined Statement of Cash Flows

(in thousands)

**For the Year Ended
December 31, 2025**

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income	\$	1,006
Adjustments to reconcile net income to net cash provided by operating activities:		
Non-cash lease expense		91
Change in operating assets and liabilities:		
Receivables		(93)
Accounts payable		1
Accrued expenses and other current liabilities		88
Lease liabilities		(93)
Net cash provided by operating activities	\$	1,000

CASH FLOWS FROM FINANCING ACTIVITIES:

Line of credit, borrowings	243
Line of credit, repayments	(11)
Members' draw	(1,373)
Net cash used in financing activities	\$ (1,141)

Cash and cash equivalents:

Net change during the period	(141)
Balance, beginning of period	287
Balance, end of period	\$ 146

Supplemental cash flow information:

Cash paid for interest	\$	44
------------------------	----	----

See accompanying notes to combined financial statements.

Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC

Notes to Combined Financial Statements (dollars in thousands)

Note 1 — Nature of Operations

Founded in 2013, Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC (“Affinity” or the “Company”) supports a nationwide network of agents and advisors serving clients throughout the United States. Affinity’s mission is to develop proprietary advisor training systems, lead generation infrastructure and client relationship management tools designed to support scalable growth and recurring client engagement.

The Company delivers integrated retirement, investment, and estate planning solutions through a coordinated model that combines insurance distribution and registered investment advisory.

Complementing the insurance offering is AAN Wealth Advisors, LLC, an independent Registered Investment Advisor (“RIA”) that provides fiduciary-based investment management. Through this service, the RIA’s mission is to provide clients with personalized portfolio construction, retirement income planning, and tax-efficient investment strategies.

Note 2 — Basis of Presentation and Combination

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). The Company is a private company that is not required to file financial statements with the Securities and Exchange Commission. All amounts are presented in US dollars.

The accompanying combined financial statements have been prepared on a standalone basis and are derived from the historical financial records of Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC. These combined financial statements include the assets, liabilities, equity, revenues, expenses, and cash flows of the two entities under common control and shared management, as listed in Note 1.

Because the legal parent-subsidary relationship did not exist between these entities during the periods presented, these financial statements are presented on a combined rather than consolidated basis. All significant intercompany balances, transactions, and unrealized profits or losses between the combined entities, if any, have been eliminated in full upon combination. The financial information included herein may not necessarily reflect the financial position, results of operations, or cash flows that would have occurred had the combined entities operated as a single, separate standalone enterprise during the period presented.

Note 3 — Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for credit losses and incremental borrowing rates used to measure lease liabilities. Actual results could differ from those estimates.

Cash

The Company's cash consists of demand deposits held at financial institutions.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and receivables. The Company maintains its cash balances at financial institutions where deposits may at times exceed federally insured limits of \$250 per depositor, per institution. The Company has not experienced losses on these balances and management believes the Company is not exposed to significant credit risk with respect to cash.

Receivables and Allowance for Credit Losses

Receivables are stated at the amount the Company expects to collect and do not bear interest. The Company measures expected credit losses over the contractual life of its receivables using a current expected credit loss model. Receivables are pooled based on similar risk characteristics, including client type and aging, and the Company applies loss rates derived from historical write-off experience, adjusted for current conditions and reasonable and supportable forecasts. Receivables are written off when management determines that collection is no longer probable, and subsequent recoveries are credited to the allowance in the period received.

Furniture and Equipment

Furniture and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Expenditures for maintenance and repairs are expensed as incurred, while renewals and betterments that extend the useful life of an asset are capitalized. Upon retirement or disposal, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in operations. Estimated useful lives are as follows:

Category	Terms
Furniture and Fixtures	5 - 7 years
Computer Equipment	3 - 5 years
Equipment	5 - 7 years

Leases

The Company determines whether an arrangement is or contains a lease at inception. Operating lease right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of the remaining lease payments over the lease term, and the right-of-use asset is adjusted for prepaid or accrued rent, lease incentives, and initial direct costs. Because the rate implicit in its leases is not readily determinable, the Company uses its incremental borrowing rate. The Company has elected the short-term lease exception and does not record right-of-use assets or lease liabilities for leases with an original term of twelve months or less; such payments are recognized as expense on a straight-line basis over the lease term. Variable lease payments, including common area maintenance and operating cost escalations, are expensed as incurred.

Revenue Recognition

The Company accounts for revenue under *ASC 606, Revenue from Contracts with Customers*. The Company's revenue consists of advisory fees and wealth management fees. The core principle of ASC 606 is to recognize upon the transfer of promised goods or services to customers in amount that reflects the consideration the entity expects to be entitled to in exchange for those goods or services. Accordingly, the Company recognizes revenue for services through the application of the following steps:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and,
- Recognition of revenue when, or as, the Company satisfies its performance obligation.

Advisory Fees. The Company acts as a principal and earns commission revenue from annuity and life insurance policies sold on behalf of its insurance carrier partners for which the Company is designated as the assigned marketing organization. Specifically, the Company earns commission revenue when a submitted annuity and life insurance policy is approved by the carrier and funded. The Company defines the carrier as its customer under ASC 606.

The Company receives a one-time commission payment which is based on the premium amount when the policy is issued and funded by the paying member. Each carrier that the Company considers to be customers have contracted commission tables based on the product selected by the paying member, the age of the paying member and distribution level of the sales organization.

The Company also earns trailing commission revenue which is earned over the policy term; however, that amount is immaterial to the financial statements.

Wealth Management Fees. The Company acts as a principal and earns investment advisory revenue representing fees charged to clients based on the average daily market value of the assets held in members designated account over the preceding calendar quarter. The Company's fees are billed quarterly, in arrears. Revenue for investment advisory services is recognized ratably during the quarter. The performance obligation for advisory services is considered a series of distinct services that are substantially the same and are satisfied daily. As the value of the eligible assets in an advisory account is susceptible to changes due to customer activity, this revenue includes variable consideration and is constrained until the date that the fees are determinable. The client accounts are on a calendar quarter and are billed using values as of the last business day of the preceding quarter. The value of the eligible assets in an advisory account on the billing date is adjusted for contributions and withdrawals during the period to determine the amount of revenue earned in the period.

Cost of Services

Professional compensation

Costs of employees directly associated with generating commission revenue are classified as professional compensation in the accompanying combined statement of income.

Subcontractor and contract labor costs

Subcontractor and contract labor cost consists of the following: payout amounts that are earned by and paid out to advisors based on advisory and commission revenue earned on each client's account, production-based bonuses earned by advisors based on the levels of advisory and commission revenue they produce. Costs directly associated with generating commission revenue, including commissions paid to independent producers and affiliated agents, are classified as subcontractor and contract labor cost in the accompanying combined statement of income.

Marketing and advertising

Marketing and advertising expenses consist primarily of promotional activities associated with the Company's direct marketing. Direct marketing includes meetings and seminars which are held in the pursuit of attracting new clients. Marketing and advertising costs are expensed as incurred, are included in marketing and advertising in the accompanying combined statement of income and was approximately \$276 for the year ended December 31, 2025.

Income Taxes

The Company is a limited liability company and consequently, is not a tax-paying entity for United States federal income tax purposes. Accordingly, a provision for income taxes has not been recorded in the accompanying financial statements. Company income or losses are reflected in the members' individual or corporate tax returns in accordance with their ownership percentages.

The Company is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, 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 authority. De-recognition of a tax benefit previously recognized results in the Company recording a tax liability that reduces member's equity. Based on its analysis the Company has determined that it has not incurred any liability for unrecognized tax benefits as of December 31, 2025. The Company's conclusions may be subject to review and adjustment at a later date based on variety of factors including, but not limited to, on-going analysis of and changes to tax laws, regulations and interpretations thereof.

The Company recognizes interest and penalties related to unrecognized tax benefits in interest expense and other expenses, respectively. No interest expense or penalties have been recognized for the year ended December 31, 2025.

Fair Value Measurements

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 at the measurement date. The Company applies a three-level hierarchy that prioritizes the inputs used to measure fair value: Level 1 inputs are quoted prices in active markets for identical assets or liabilities; Level 2 inputs are observable inputs other than Level 1 prices, such as quoted prices for similar instruments or inputs corroborated by observable market data; and Level 3 inputs are unobservable inputs that reflect the Company's own assumptions about the assumptions market participants would use.

The Company's financial instruments consist mainly of cash, receivables, accounts payable, accrued liabilities, the carrying amounts of which approximate fair value because of their short maturities. The carrying value of the line of credit approximates fair value because of the variability of interest rates associated with the instrument.

Note 4 — Receivables and Allowance for Credit Losses

Receivables ending balance was \$221 at December 31, 2024 and \$314 at December 31, 2025.

There was a zero balance in allowance for credit losses at December 31, 2024, there was no provision for credit losses and no write-offs charged against credit allowance during the year ending December 31, 2025, netting to a zero balance in allowance for credit losses at December 31, 2025.

Note 5 — Furniture and Equipment, Net

As of December 31, 2025, furniture and equipment, net consisted of the following:

	<u>December 31, 2025</u>
Furniture and fixtures	\$ 278
Computer equipment	25
Equipment	<u>22</u>
	325
Less: accumulated depreciation	<u>(325)</u>
Furniture and equipment	<u>\$ -</u>

Furniture and equipment became fully depreciated prior to January 1, 2025 and therefore no depreciation expense was recorded for the year ended December 31, 2025.

Note 6 — Leases

The Company leases office space in Cuyahoga Falls, Ohio and Canton, Ohio, under non-cancelable operating leases with remaining terms of approximately 1.4 years and 2.3 years, respectively, certain of which include options to extend the lease term for five years and three years, respectively. Renewal options are included in the measurement of lease liabilities only when the Company is reasonably certain to exercise them. The Company's leases do not contain material residual value guarantees or restrictive covenants. The Company has one other short-term lease which is expensed as permitted under the short-term lease exemption. The components of lease cost were as follows:

Lease cost	Year Ended December 31, 2025
Operating lease cost	\$ 97
Short-term lease cost	23
Variable lease cost	6
Total lease cost	\$ 126

As of December 31, 2025, the weighted-average remaining lease term for operating leases was approximately 1.9 years and the weighted-average discount rate was 5.5%. Cash paid for amounts included in the measurement of operating lease liabilities was approximately \$122 for the year ended December 31, 2025. Maturities of operating lease liabilities as of December 31, 2025 are as follows:

Year Ended	Future Minimum Rentals
2026	\$ 126
2027	93
2028	27
Total undiscounted lease payments	246
Discount	(33)
Total lease liability	\$ 213

Note 7 — Commitments and Contingencies

From time to time the Company is party to claims, disputes, and legal proceedings arising in the ordinary course of business, including matters involving client engagements, employment, and commercial relationships. Management, after consultation with legal counsel, believes that the ultimate resolution of such matters will not have a material adverse effect on the Company's financial position, results of operations, or cash flows. Accruals for loss contingencies are recorded when a loss is probable and the amount can be reasonably estimated.

Note 8 — Line of Credit

As of December 31, 2025, the Company maintained a revolving line of credit with Huntington National Bank providing for maximum borrowings of up to \$300 which is secured by substantially all assets of the Company. The maturity date of the line of credit is September 5, 2029. The line of credit was repaid and terminated at the closing of the Affinity acquisition, see Note 10 – Subsequent Events below for discussion of the acquisition.

Borrowings under the line bore interest at a variable rate equal to the Index Rate, e.g., Wall Street Journal Prime Rate, plus a margin of 2.0%, adjusted every calendar quarter on the 1st day of the first month of each quarter. The effective interest rate was 8.75% at December 31, 2025.

The outstanding balance on the line of credit was approximately \$245 as of December 31, 2025.

Note 9 — Concentrations of Revenue

The Company derives a significant portion of its revenue from insurance products written through a single insurance company. For the year ended December 31, 2025, commissions on products written through that insurance company accounted for approximately 77% of total insurance advisory revenues. This concentration reflects the Company's strategic relationship with its primary carrier partner and does not represent dependence on a single agent or client relationship. These policies are produced by a network of multiple independent agents operating across the country, each writing policies on behalf of their respective clients. The Company maintains relationships with a range of insurance carriers. A significant amount of the Company's revenue is derived from products purchased by individuals living in Ohio and the Company's results depend in part on the continued service of a limited number of senior professionals whose client relationships and technical expertise are important to the business. The loss of one or more significant relationships, clients or key personnel could have a material adverse effect on the Company's results of operations.

The Company's derives a significant portion of its receivables from its wealth management fees. For the year ended December 31, 2025, the receivables on the investment service agreement through that one party accounted for approximately 78% of the balance.

Note 10 — Subsequent Events

On July 15, 2026, Affinity Advisory Holdings Corp., a Delaware corporation (the "Buyer") and a wholly-owned subsidiary of Stark Novus Financial Inc. (formerly Nu Ride Inc.) ("Stark") completed the acquisition of Affinity. The Membership Interest Purchase Agreement (the "Purchase Agreement") for the transaction was signed on June 2, 2026. The aggregate consideration payable under the Purchase Agreement consisted of (a) a cash payment at closing of \$6,720, including in respect of \$338 of cash on the balance sheet of Affinity at closing; (b) 80,000 shares of Class A common stock of Stark and (c) shares of the Buyer's common stock equal to 15% of the Buyer's issued and outstanding shares immediately following the closing. In connection with the closing, outstanding indebtedness of Affinity, including the balance on its revolving line of credit and credit card obligations, was repaid from the cash consideration. The Sellers are also eligible to receive a contingent earnout payment of up to \$1,312 (plus accrued interest), payable in up to three annual installments of approximately \$437 each following the closing, subject to meeting certain insurance-writing thresholds.

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to September 30, 2026, the date that the financial statements were available for issuance. Based upon this review, other than the above, the Company did not identify any subsequent events that would have required adjustment or disclosure in the financial statements.

AFFINITY ADVISORY NETWORK, LLC and AAN WEALTH ADVISORS, LLC

Condensed Combined Financial Statements

As of and for the Six Months Ended June 30, 2026

Canton, Ohio

CONDENSED COMBINED FINANCIAL STATEMENTS

(Unaudited)

As of and for the Six Months Ended June 30, 2026

Page 2

Table of Contents

Unaudited Condensed Combined Financial Statements:	
Balance Sheet as of June 30, 2026	4
Statement of Income for the Six Months Ended June 30, 2026	5
Statement of Changes in Members’ Deficit for the Six Months Ended June 30, 2026	6
Statement of Cash Flows for the Six Months Ended June 30, 2026	7
Notes to Unaudited Condensed Combined Financial Statements	8-14

Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC
Condensed Combined Balance Sheet
(Unaudited)

(in thousands)

June 30, 2026

ASSETS		
Current assets:		
Cash and cash equivalents	\$	133
Receivables		260
Total current assets	\$	393
Furniture and equipment, net		—
Right-of-use assets		168
Total assets	\$	561
LIABILITIES AND MEMBERS' DEFICIT		
Current liabilities:		
Accounts payable	\$	1
Accrued expenses and other current liabilities		340
Lease liabilities, current		113
Total current liabilities	\$	454
Line of credit		261
Lease liabilities, net of current portion		51
Total liabilities	\$	766
Commitments and contingencies (Note 7):		
Members' deficit		
Members' deficit	\$	(205)
Total members' deficit	\$	(205)
Total liabilities and members' deficit	\$	561

See accompanying notes to condensed combined financial statements.

Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC
Condensed Combined Statement of Income
(Unaudited)

<i>(in thousands)</i>	For the Six Months Ended June 30, 2026
Revenue:	
Advisory fees	\$ 1,209
Wealth management fees	505
Total revenue	<u>\$ 1,714</u>
Cost of services:	
Professional compensation	\$ 156
Subcontractor and contract labor costs	428
Total cost of services	<u>\$ 584</u>
Gross profit	\$ 1,130
Operating expenses:	
General and administrative	\$ 479
Occupancy and facilities	55
Marketing and advertising	55
Total operating expenses	<u>\$ 589</u>
Income from operations	\$ 541
Other expense:	
Interest expense	\$ 21
Other expense, net	37
Total other expense, net	<u>\$ 58</u>
Net income	<u><u>\$ 483</u></u>

See accompanying notes to condensed combined financial statements.

Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC
Condensed Combined Statement of Changes in Members' Deficit
(Unaudited)

For the Six Months Ended June 30, 2026

<i>(in thousands)</i>	Total Members' Deficit	
Balance at December 31, 2025	\$	(360)
Members' draw		(328)
Net income		483
Balance at June 30, 2026	\$	(205)

See accompanying notes to condensed combined financial statements.

Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC
Condensed Combined Statement of Cash Flows
(Unaudited)

**For the Six
Months Ended
June 30, 2026**

(in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income	\$	483
Adjustments to reconcile net income to net cash provided by operating activities:		
Non-cash lease expense		48
Change in operating assets and liabilities:		
Receivables		54
Accounts payable		1
Accrued expenses and other current liabilities		(238)
Lease liabilities		(49)
Net cash provided by operating activities	\$	299

CASH FLOWS FROM FINANCING ACTIVITIES:

Line of credit, borrowings		20
Line of credit, repayments		(4)
Members' draw		(328)
Net cash used in financing activities	\$	(312)

Cash and cash equivalents:

Net change during the period		(13)
Balance, beginning of period		146
Balance, end of period	\$	133

Supplemental cash flow information:

Cash paid for interest	\$	21
------------------------	----	----

See accompanying notes to condensed combined financial statements.

Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC

Notes to Unaudited Condensed Combined Financial Statements (dollars in thousands)

Note 1 — Nature of Operations

Founded in 2013, Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC (“Affinity” or the “Company”) supports a nationwide network of agents and advisors serving clients throughout the United States. Affinity’s mission is to develop proprietary advisor training systems, lead generation infrastructure and client relationship management tools designed to support scalable growth and recurring client engagement.

The Company delivers integrated retirement, investment, and estate planning solutions through a coordinated model that combines insurance distribution and registered investment advisory.

Complementing the insurance offering is AAN Wealth Advisors, LLC, an independent Registered Investment Advisor (“RIA”) that provides fiduciary-based investment management. Through this service, the RIA’s mission is to provide clients with personalized portfolio construction, retirement income planning, and tax-efficient investment strategies.

Note 2 — Basis of Presentation and Combination

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). The Company is a private company that is not required to file financial statements with the Securities and Exchange Commission. All amounts are presented in US dollars.

The accompanying condensed combined financial statements have been prepared on a standalone basis and are derived from the historical financial records of Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC. These condensed combined financial statements include the assets, liabilities, equity, revenues, expenses, and cash flows of the two entities under common control and shared management, as listed in Note 1.

Because the legal parent-subsidary relationship did not exist between these entities during the periods presented, these financial statements are presented on a combined rather than consolidated basis. All significant intercompany balances, transactions, and unrealized profits or losses between the combined entities, if any, have been eliminated in full upon combination. The financial information included herein may not necessarily reflect the financial position, results of operations, or cash flows that would have occurred had the combined entities operated as a single, separate standalone enterprise during the period presented.

Note 3 — Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for credit losses and incremental borrowing rates used to measure lease liabilities. Actual results could differ from those estimates.

Cash

The Company's cash consists of demand deposits held at financial institutions.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and receivables. The Company maintains its cash balances at financial institutions where deposits may at times exceed federally insured limits of \$250 per depositor, per institution. The Company has not experienced losses on these balances and management believes the Company is not exposed to significant credit risk with respect to cash.

Receivables and Allowance for Credit Losses

Receivables are stated at the amount the Company expects to collect and do not bear interest. The Company measures expected credit losses over the contractual life of its receivables using a current expected credit loss model. Receivables are pooled based on similar risk characteristics, including client type and aging, and the Company applies loss rates derived from historical write-off experience, adjusted for current conditions and reasonable and supportable forecasts. Receivables are written off when management determines that collection is no longer probable, and subsequent recoveries are credited to the allowance in the period received.

Furniture and Equipment

Furniture and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Expenditures for maintenance and repairs are expensed as incurred, while renewals and betterments that extend the useful life of an asset are capitalized. Upon retirement or disposal, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in operations. Estimated useful lives are as follows:

Category	Terms
Furniture and Fixtures	5 - 7 years
Computer Equipment	3 - 5 years
Equipment	5 - 7 years

Leases

The Company determines whether an arrangement is or contains a lease at inception. Operating lease right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of the remaining lease payments over the lease term, and the right-of-use asset is adjusted for prepaid or accrued rent, lease incentives, and initial direct costs. Because the rate implicit in its leases is not readily determinable, the Company uses its incremental borrowing rate. The Company has elected the short-term lease exception and does not record right-of-use assets or lease liabilities for leases with an original term of twelve months or less; such payments are recognized as expense on a straight-line basis over the lease term. Variable lease payments, including common area maintenance and operating cost escalations, are expensed as incurred.

Revenue Recognition

The Company accounts for revenue under *ASC 606, Revenue from Contracts with Customers*. The Company's revenue consists of advisory fees and wealth management fees. The core principle of ASC 606 is to recognize upon the transfer of promised goods or services to customers in amount that reflects the consideration the entity expects to be entitled to in exchange for those goods or services. Accordingly, the Company recognizes revenue for services through the application of the following steps:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and,
- Recognition of revenue when, or as, the Company satisfies a performance obligation.

Advisory Fees. The Company acts as a principal and earns commission revenue from annuity and life insurance policies sold on behalf of its insurance carrier partners for which the Company is designated as the assigned marketing organization. Specifically, the Company earns commission revenue when a submitted annuity and life insurance policy is approved by the carrier and funded, who the Company defines as its customer under ASC 606.

The Company receives a one-time commission which is based on the premium amount when the policy is issued and funded by the paying member. Each carrier that the Company considers to be customers have contracted commission tables based on the product selected by the paying member, the age of the paying member and distribution level of the sales organization.

The Company also earns trailing commission revenue which is earned over the policy term; however, that amount is immaterial to the financial statements.

Wealth Management Fees. The Company acts as a principal and earns investment advisory revenue representing fees charged to clients based on the average daily market value of the assets held in members designated account over the preceding calendar quarter. The Company's fees are billed quarterly, in arrears. Revenue for investment advisory services is recognized ratably during the quarter. The performance obligation for advisory services is considered a series of distinct services that are substantially the same and are satisfied daily. As the value of the eligible assets in an advisory account is susceptible to changes due to customer activity, this revenue includes variable consideration and is constrained until the date that the fees are determinable. The client accounts are on a calendar quarter and are billed using values as of the last business day of the preceding quarter. The value of the eligible assets in an advisory account on the billing date is adjusted for contributions and withdrawals during the period to determine the amount of revenue earned in the period.

Cost of Services

Professional compensation

Costs of employees directly associated with generating commission revenue are classified as professional compensation in the accompanying condensed combined statement of income.

Subcontractor and contract labor costs

Subcontractor and contract labor cost consists of the following: payout amounts that are earned by and paid out to advisors based on advisory and commission revenue earned on each client's account, production-based bonuses earned by advisors based on the levels of advisory and commission revenue they produce. Costs directly associated with generating commission revenue, including commissions paid to independent producers and affiliated agents, are classified as subcontractor and contract labor cost in the accompanying condensed combined statement of income.

Marketing and advertising

Marketing and advertising expenses consist primarily of promotional activities associated with the Company's direct marketing. Direct marketing includes meetings and seminars which are held in the pursuit of attracting new clients. Marketing and advertising costs are expensed as incurred, are included in marketing and advertising in the accompanying condensed combined statement of income, and was approximately \$55 for the six months ended June 30, 2026

Income Taxes

The Company is a limited liability company and consequently, is not a tax-paying entity for United States federal income tax purposes. Accordingly, a provision for income taxes has not been recorded in the accompanying financial statements. Company income or losses are reflected in the members' individual or corporate tax returns in accordance with their ownership percentages.

The Company is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, 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 authority. De-recognition of a tax benefit previously recognized results in the Company recording a tax liability that reduces member's equity. Based on its analysis the Company has determined that it has not incurred any liability for unrecognized tax benefits as of June 30, 2026. The Company's conclusions may be subject to review and adjustment at a later date based on variety of factors including, but not limited to, on-going analysis of and changes to tax laws, regulations and interpretations thereof.

The Company recognizes interest and penalties related to unrecognized tax benefits in interest expense and other expenses, respectively. No interest expense or penalties have been recognized for the six months ended June 30, 2026.

Fair Value Measurements

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 at the measurement date. The Company applies a three-level hierarchy that prioritizes the inputs used to measure fair value: Level 1 inputs are quoted prices in active markets for identical assets or liabilities; Level 2 inputs are observable inputs other than Level 1 prices, such as quoted prices for similar instruments or inputs corroborated by observable market data; and Level 3 inputs are unobservable inputs that reflect the Company's own assumptions about the assumptions market participants would use.

The Company's financial instruments consist mainly of cash, receivables, accounts payable, accrued liabilities, the carrying amounts of which approximate fair value because of their short maturities. The carrying value of the line of credit approximates fair value because of the variability of interest rates associated with the instrument.

Note 4 — Receivables and Allowance for Credit Losses

Receivables ending balance was \$314 at December 31, 2025 and \$260 at June 30, 2026.

There was a zero balance in allowance for credit losses at December 31, 2025, there was no provision for credit losses and no write-offs charged against credit allowance during the period ending June 30, 2026, netting to a zero balance in allowance for credit losses at June 30, 2026.

Note 5 — Furniture and Equipment, Net

As of June 30, 2026, furniture and equipment, net consisted of the following:

	<u>June 30, 2026</u>
Furniture and fixtures	\$ 278
Computer equipment	25
Equipment	<u>22</u>
	325
Less: accumulated depreciation	<u>(325)</u>
Furniture and equipment	<u>\$ -</u>

Furniture and equipment became fully depreciated prior to January 1, 2025 and therefore no depreciation expense was recorded for the six months ended June 30, 2026.

Note 6 — Leases

The Company leases office space in Cuyahoga Falls, Ohio and Canton, Ohio, under non-cancelable operating leases with remaining terms of approximately 0.9 years and 1.8 years, respectively, certain of which include options to extend the lease term for five years and three years, respectively. Renewal options are included in the measurement of lease liabilities only when the Company is reasonably certain to exercise them. The Company's leases do not contain material residual value guarantees or restrictive covenants. The Company has one other short-term lease which is expensed as permitted under the short-term lease exemption. The components of lease cost were as follows:

Lease cost	Six Months Ended June 30, 2026
Operating lease cost	\$ 41
Short-term lease cost	12
Variable lease cost	1
Total lease cost	\$ 54

As of June 30, 2026, the weighted-average remaining lease term for operating leases was approximately 1.4 years and the weighted-average discount rate was 5.5%. Cash paid for amounts included in the measurement of operating lease liabilities was approximately \$55 for the period ended June 30, 2026. Maturities of operating lease liabilities as of June 30, 2026 are as follows:

Year Ended	Future Minimum Rentals
Remainder of 2026	\$ 60
2027	93
2028	27
Total undiscounted lease payments	180
Discount	(16)
Total lease liability	\$ 164

Note 7 — Commitments and Contingencies

From time to time the Company is party to claims, disputes, and legal proceedings arising in the ordinary course of business, including matters involving client engagements, employment, and commercial relationships. Management, after consultation with legal counsel, believes that the ultimate resolution of such matters will not have a material adverse effect on the Company's financial position, results of operations, or cash flows. Accruals for loss contingencies are recorded when a loss is probable and the amount can be reasonably estimated.

Note 8 — Line of Credit

As of June 30, 2026, the Company maintained a revolving line of credit with Huntington National Bank providing for maximum borrowings of up to \$300 secured by substantially all assets of the Company. The maturity date of the line of credit is September 5, 2029. The line of credit was repaid and terminated at the closing of the Affinity acquisition, see Note 10 – Subsequent Events below for discussion of the acquisition.

Borrowings under the line bore interest at a variable rate equal to the Index Rate, e.g., Wall Street Journal Prime Rate, plus a margin of 2.0%, adjusted every calendar quarter on the 1st day of the first month of each quarter. The effective interest rate was 8.75% at June 30, 2026.

The outstanding balance on the line of credit was approximately \$261 as of June 30, 2026.

Note 9 — Concentrations of Revenue

The Company derives a significant portion of its revenue from insurance products written through a single insurance company. For the six months ended June 30, 2026, commissions on products written through that insurance company accounted for approximately 77% of total insurance advisory revenues. This concentration reflects the Company's strategic relationship with its primary carrier partner and does not represent dependence on a single agent or client relationship. These policies are produced by a network of multiple independent agents operating across the country, each writing policies on behalf of their respective clients. The Company maintains relationships with a range of insurance carriers. A significant amount of the Company's revenue is derived from products purchased by individuals living in Ohio and the Company's results depend in part on the continued service of a limited number of senior professionals whose client relationships and technical expertise are important to the business. The loss of one or more significant relationships, clients or key personnel could have a material adverse effect on the Company's results of operations.

The Company's derives a significant portion of its receivables from its wealth management fees. For the six month period ended June 30, 2026, the receivables on the investment service agreement through that one party accounted for approximately 100% of the balance.

Note 10 — Subsequent Events

On July 15, 2026, Affinity Advisory Holdings Corp., a Delaware corporation (the "Buyer") and a wholly-owned subsidiary of Stark Novus Financial Inc. (formerly Nu Ride Inc.) ("Stark") completed the acquisition of Affinity. The Membership Interest Purchase Agreement (the "Purchase Agreement") for the transaction was signed on June 2, 2026. The aggregate consideration payable under the Purchase Agreement consisted of (a) a cash payment at closing of \$6,720, including in respect of \$338 of cash on the balance sheet of Affinity at closing; (b) 80,000 shares of Class A common stock of Stark and (c) shares of the Buyer's common stock equal to 15% of the Buyer's issued and outstanding shares immediately following the closing. In connection with the closing, outstanding indebtedness of Affinity, including the balance on its revolving line of credit and credit card obligations, was repaid from the cash consideration. The Sellers are also eligible to receive a contingent earnout payment of up to \$1,312 (plus accrued interest), payable in up to three annual installments of approximately \$437 each following the closing, subject to meeting certain insurance-writing thresholds.

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to September 30, 2026, the date that the financial statements were available for issuance. Based upon this review, other than the above, the Company did not identify any subsequent events that would have required adjustment or disclosure in the financial statements.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Defined terms included below have the same meaning as terms defined and included elsewhere in this Amendment No. 1 to Current Report on Form 8-K (the "Current Report"), to which this unaudited pro forma condensed combined financial information is attached, or the initial Current Report on Form 8-K filed with the SEC on July 21, 2026.

The following unaudited pro forma condensed combined financial information is derived from the historical consolidated financial statements of Stark Novus Financial Inc. ("Stark" or the "Company") and the historical combined financial statements of Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC ("Affinity"), as of and for the six months ended June 30, 2026 and for the year ended December 31, 2025.

The following unaudited pro forma financial information gives effect to the acquisition of Affinity by Stark (the "Acquisition"), which closed on July 15, 2026 (the "Closing Date"), and includes the impacts of (a) the Acquisition, including the cash and stock purchase price of the Acquisition (the "Financing").

The unaudited pro forma combined financial information related to the Acquisition has been prepared by Stark using the acquisition method of accounting in accordance with GAAP. Stark has been treated as the acquirer for accounting purposes, and thus accounts for the Acquisition as a business combination in accordance with Accounting Standards Codification ("ASC") Topic 805, *Business Combinations* ("ASC 805"). The valuations of the assets acquired and liabilities assumed, and therefore the purchase price allocations, are preliminary and have not yet been finalized as of the date of this filing. As a result of the foregoing, the pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited pro forma combined financial information and the final purchase price allocation and the resulting effect on financial position and results of operations may differ significantly from the pro forma amounts included herein.

The unaudited pro forma combined balance sheet as of June 30, 2026, gives effect to the Acquisition as if it had occurred on June 30, 2026.

The unaudited pro forma combined statements of operations for the six months ended June 30, 2026 and for the year ended December 31, 2025, give effect to the Acquisition as if it had occurred on January 1, 2025.

The unaudited pro forma combined balance sheet and the unaudited pro forma combined statements of operations have been derived from and should be read in conjunction with the following financial statements, which are included as an exhibit to this Current Report or are included in Stark's Form 10-K for the fiscal year ended December 31, 2025 or Form 10-Q for the quarter ended June 30, 2026:

- the historical unaudited condensed consolidated financial statements and the related notes of Stark as of and for the six months ended June 30, 2026, which are included in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 filed with the SEC on August 14, 2026;
- the historical audited consolidated financial statements and the related notes of Stark for the year ended December 31, 2025, which are included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on March 26, 2026;

- the historical unaudited condensed combined financial statements and the related notes of Affinity as of and for the six months ended June 30, 2026, which are included as Exhibit 99.2 to this Current Report; and
- the historical audited combined financial statements and the related notes of Affinity for the year ended December 31, 2025, which are included as Exhibit 99.1 to this Current Report.

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X as amended by the final rule, Release No. 33-10786, “Amendments to Financial Disclosures about Acquired and Disposed Businesses.”

The pro forma adjustments are based on available information and upon assumptions that Stark management believes are reasonable under the circumstances to reflect, on a pro forma basis, the effect of the Acquisition and the other transactions noted above. The adjustments are described in the notes to the unaudited pro forma condensed combined balance sheet and the unaudited pro forma condensed combined statements of operations.

The unaudited pro forma condensed combined financial information is included for informational purposes only. The unaudited pro forma combined financial information should not be relied upon as being indicative of Stark’s results of operations or financial condition had the Acquisition and the other transactions contemplated by the Purchase Agreement occurred on the dates assumed. The unaudited pro forma condensed combined financial information also does not project Stark’s results of operations or financial position for any future period or date, including, but not limited to, the anticipated realization of ongoing savings from potential operating efficiencies, asset dispositions, cost savings, or economies of scale that the combined company may achieve with respect to the combined operations. A number of factors may affect the results. Specifically, the unaudited pro forma combined statements of operations do not include projected synergies expected to be achieved as a result of the Acquisition and any associated costs that may be required to be incurred to achieve the identified synergies. The unaudited pro forma combined statements of operations also exclude the effects of costs of integration activities and asset dispositions that may result from the Acquisition. The unaudited pro forma combined statements of operations and balance sheet should be read in conjunction with the “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, Stark’s consolidated financial statements and related notes and other sections of Stark’s Annual Report on Form 10-K for the year ended December 31, 2025, Stark’s Current Report on Form 10-Q for the quarter ended June 30, 2026, and Affinity’s financial statements and related notes included as exhibits to this Current Report.

Unaudited Pro Forma Condensed Combined Balance Sheet
As of June 30, 2026

<i>(in thousands)</i>	Stark Novus Financial Inc.	Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC	Pro Forma Transaction Adjustments	Stark Novus Financial Inc. Pro Forma
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 21,525	\$ 133	\$ (7,259) (A)(B)	\$ 14,399
Short-term investments	7,373	-	-	7,373
Short-term investments, restricted	2,619	-	-	2,619
Prepaid insurance	252	-	-	252
Other current assets	390	260	(425) (D)	225
Total current assets	\$ 32,159	\$ 393	\$ (7,684)	\$ 24,868
Loans receivable	11,595	—	—	11,595
Right-of-use assets	—	168	—	168
Goodwill	—	—	6,036 (A)	6,036
Identifiable intangible assets	—	—	3,450 (A)	3,450
Total assets	\$ 43,754	\$ 561	\$ 1,820	\$ 46,117
LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	\$ 47	\$ 1	\$ —	\$ 48
Accrued legal and professional fees	697	—	—	697
Accrued expenses and other current liabilities	55	340	204 (A)(D)	599
Line of credit	—	261	(261) (D)	-
Lease liabilities, current	—	113	—	113
Total current liabilities	\$ 799	\$ 715	\$ (57)	\$ 1,457
Liabilities subject to compromise	2,603	—	—	2,603
Lease liabilities, net of current portion	—	51	—	51
Non-current portion of contingent consideration	—	—	605 (A)	605
Total liabilities	\$ 3,402	\$ 766	\$ 549	\$ 4,716
Commitments and contingencies				
Mezzanine equity				
Series A Convertible Preferred stock	\$ 39,928	\$ —	\$ —	\$ 39,928
Non-controlling interest	-	-	1,490 (C)	1,490
Stockholders' equity				
Class A common stock,	\$ 24	\$ —	\$ 8 (A)	\$ 32
Additional paid in capital	1,180,833	—	133 (A)	1,180,966
Accumulated other comprehensive loss	(231)	—	—	(231)
(Accumulated deficit) retained earnings	(1,180,202)	(205)	(377) (A)(B)	(1,180,784)
Total stockholders' equity (deficit) attributable to Stark Novus Financial Inc.	\$ 424	\$ (205)	\$ (236)	\$ (17)
Total Stockholders' Equity (Deficit)	\$ 424	\$ (205)	\$ 1,254	\$ 1,473
Total liabilities, mezzanine equity and stockholders' equity	\$ 43,754	\$ 561	\$ 1,820	\$ 46,117

Please refer to the notes to the unaudited pro-forma condensed combined financial statements.

Unaudited Pro Forma Condensed Combined Statement of Operations
For the Six Months Ended June 30, 2026

<i>(in thousands)</i>	Stark Novus Financial Inc.	Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC	Reclassification Adjustments	Pro Forma Transaction Adjustments	Stark Novus Financial Inc. Pro Forma
Revenue:					
Advisory fees	\$ -	\$ 1,209	\$ -	—	\$ 1,209
Wealth management fees	-	505	-	—	505
Total revenue	<u>\$ -</u>	<u>\$ 1,714</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,714</u>
Cost of services:					
Professional compensation	\$ -	\$ 156	\$ -	—	\$ 156
Subcontractor and contract labor costs	-	428	-	—	428
Amortization of intangible assets (NMO)	-	-	-	44 (BB)	44
Total cost of services	<u>\$ -</u>	<u>\$ 584</u>	<u>\$ -</u>	<u>\$ 44</u>	<u>\$ 628</u>
Gross profit	<u>\$ -</u>	<u>\$ 1,130</u>	<u>\$ -</u>	<u>\$ (44)</u>	<u>\$ 1,086</u>
Operating expenses (income) :					
Selling, general and administrative expenses	\$ 3,051	\$ -	\$ 534 (DD)	—	\$ 3,585
Legal settlement and litigation benefit, net	(779)	-	-	—	(779)
General and administrative	-	479	(479) (DD)	—	—
Occupancy and facilities	-	55	(55) (DD)	—	—
Marketing and advertising	-	55	-	—	55
Total operating expense, net	<u>\$ 2,272</u>	<u>\$ 589</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,861</u>
(Loss) income from operations	\$ (2,272)	\$ 541	\$ —	\$ (44)	\$ (1,775)
Other (expense) income:					
Other expense, net	(68)	(37)	—	—	(105)
Investment and interest income (expense)	1,172	(21)	—	21 (AA)	1,172
Amortization of intangible assets	—	—	—	(149) (BB)	(149)
(Loss) income before income taxes	<u>\$ (1,168)</u>	<u>\$ 483</u>	<u>\$ —</u>	<u>\$ (172)</u>	<u>\$ (857)</u>
Income tax expense (benefit)	-	-	-	-	—
Net (loss) income	<u>(1,168)</u>	<u>483</u>	<u>—</u>	<u>(172)</u>	<u>(857)</u>
Net loss attributable to non-controlling interest	-	-	—	(29) (CC)	(29)
Net (loss) income attributable to Stark Novus Financial Inc.	<u>\$ (1,168)</u>	<u>\$ 483</u>	<u>\$ —</u>	<u>\$ (143)</u>	<u>\$ (828)</u>
Less: accrued preferred stock dividend	1,550	-	-	-	1,550
Net (loss) income attributable to common shareholders	<u>\$ (2,718)</u>	<u>\$ 483</u>	<u>\$ -</u>	<u>\$ (143)</u>	<u>\$ (2,378)</u>
Net loss per share attributable to common shareholders					
Basic and diluted	<u>\$ (0.17)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ —</u>	<u>\$ (0.15)</u>
Weighted-average number of common shares outstanding					
Basic and diluted	<u>16,096</u>	<u>-</u>	<u>-</u>	<u>80</u>	<u>16,176</u>

Please refer to the notes to the unaudited pro-forma condensed combined financial statements.

Unaudited Pro Forma Condensed Combined Statement of Operations
For the Year Ended December 31, 2025

<i>(in thousands)</i>	Stark Novus Financial Inc.	Affinity Advisory Network, LLC and AAN Wealth Advisors, LLC	Reclassification Adjustments	Pro Forma Transaction Adjustments	Stark Novus Financial Inc. Pro Forma
Revenue:					
Advisory fees	\$ -	\$ 3,115	\$ -	\$ -	\$ 3,115
Wealth management fees	-	795	-	-	795
Total revenue	<u>\$ -</u>	<u>\$ 3,910</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,910</u>
Cost of services:					
Professional compensation	\$ -	\$ 234	\$ -	\$ -	\$ 234
Subcontractor and contract labor costs	-	1,066	-	-	1,066
Amortization of intangible assets (NMO)	-	-	-	87 (BB)	87
Total cost of services	<u>\$ -</u>	<u>\$ 1,300</u>	<u>\$ -</u>	<u>\$ 87</u>	<u>\$ 1,387</u>
Gross profit	<u>\$ -</u>	<u>\$ 2,610</u>	<u>\$ -</u>	<u>\$ (87)</u>	<u>\$ 2,523</u>
Operating expenses (income) :					
Selling, general and administrative expenses	\$ 6,768	\$ -	\$ 1,282 (DD)	\$ -	\$ 8,050
Legal settlement and litigation benefit, net	(3,008)	-	-	-	(3,008)
General and administrative	-	1,155	(1,155) (DD)	-	—
Occupancy and facilities	-	127	(127) (DD)	-	—
Marketing and advertising	-	276	-	-	276
Total operating expense, net	<u>\$ 3,760</u>	<u>\$ 1,558</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,318</u>
(Loss) income from operations	\$ (3,760)	\$ 1,052	\$ —	\$ (87)	\$ (2,795)
Other income (expense):					
Other income (expense), net	16	(2)	—	—	14
Realized gain on debt securities available for sale	1,336	-	—	—	1,336
Investment and interest income (expense)	1,789	(44)	—	44 (AA)	1,789
Amortization of intangible assets	—	—	—	(298) (BB)	(298)
(Loss) income before income taxes	<u>\$ (619)</u>	<u>\$ 1,006</u>	<u>\$ —</u>	<u>\$ (341)</u>	<u>\$ 46</u>
Income tax expense (benefit)	-	-	—	-	—
Net (loss) income	(619)	1,006	—	(341)	46
Net loss attributable to non-controlling interest	—	-	—	(58) (CC)	(58)
Net (loss) income attributable to Stark Novus Financial Inc.	(619)	1,006	-	(283)	104
Less accrued preferred stock dividend	2,923	-	-	-	2,923
Net (loss) income attributable to common shareholders	<u>\$ (3,542)</u>	<u>\$ 1,006</u>	<u>\$ —</u>	<u>\$ (283)</u>	<u>\$ (2,819)</u>
Net loss per share attributable to common shareholders					
Basic and diluted	<u>\$ (0.22)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (0.17)</u>
Weighted-average number of common shares outstanding					
Basic and diluted	<u>16,096</u>	<u>-</u>	<u>-</u>	<u>80</u>	<u>16,176</u>

Please refer to the notes to the unaudited pro-forma condensed combined financial statements.

1. Basis of Presentation

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X to reflect the Acquisition. The unaudited pro forma condensed combined financial information presents the pro forma financial condition and results of operations of Stark based upon the historical financial information of Stark and Affinity after giving effect to the Acquisition and related adjustments set forth in the notes to the unaudited pro forma condensed combined financial information.

The unaudited pro forma condensed combined financial information does not reflect any management adjustments for expected effects of the Acquisition and the other transactions contemplated by the Purchase Agreement, including any costs savings from potential operating efficiencies, or associated costs incurred to achieve such savings, and for synergies that are expected to result from the Acquisition; nor does it include any costs associated with integration activities resulting from the Acquisition to the extent they arise. However, such costs could affect Stark following the closing of the Acquisition in the period the costs are incurred.

The unaudited pro forma condensed combined balance sheet as of June 30, 2026, gives effect to the Acquisition as if they had occurred on June 30, 2026.

The unaudited pro forma condensed combined statements of operations for the six months ended June 30, 2026 and for the year ended December 31, 2025, gives effect to the Acquisition as if it had occurred on January 1, 2025.

The Acquisition

On July 15, 2026, Affinity Advisory Holdings Corp., a Delaware corporation (the “Buyer”) and a wholly-owned subsidiary of Stark completed the acquisition of Affinity. The Membership Interest Purchase Agreement (the “Purchase Agreement”) for the transaction was originally signed on June 2, 2026. As previously disclosed, the aggregate consideration payable under the Purchase Agreement consisted of (a) a cash payment at closing of \$6,720, subject to customary adjustments for working capital, cash, indebtedness, and transaction expenses; (b) 80,000 shares of Class A common stock of Stark (the “Class A Common Stock”); and (c) shares of the Buyer’s common stock equal to 15% of the Buyer’s issued and outstanding shares immediately following the closing. The Sellers are also eligible to receive a contingent earnout payment of up to \$1,312 (plus accrued interest), payable in up to three annual installments of approximately \$437 each following the closing, subject to meeting certain insurance-writing thresholds.

2. Notes to Unaudited Pro Forma Condensed Combined Balance Sheet

The following adjustments were made related to the unaudited pro forma condensed combined balance sheet as of June 30, 2026. Actual results may differ materially from the assumptions and estimates contained herein.

The pro forma adjustments are based on currently available information and certain estimates and assumptions that the Company believes provide a reasonable basis for presenting the significant effects of the Acquisition. General descriptions of the pro forma adjustments are provided below:

(A) Reflects the purchase price allocation adjustments to record Affinity’s assets and liabilities at estimated fair value based on the consideration conveyed, as detailed below

The following table summarizes the components of the Acquisition’s total consideration that are reflected in the unaudited pro forma condensed combined financial statements:

<u>Consideration</u>		<u>Valuation Methodology</u>
Cash (1)	\$ 6,936	
80,000 shares of Stark Novus Financial Inc. Class A Common Stock issued at closing	141	Class A Common Stock - 80,000 shares x stock price at date of closing
Contingent consideration (2)	973	Montecarlo Method
Fair Value of total consideration transferred	<u>\$ 8,050</u>	

(1) Total cash consideration of \$6,936, including in respect of \$338 of cash on the balance sheet of Affinity at closing, which was paid for dollar for dollar as part of the purchase price, less net working capital adjustments of \$122.

(2) The contingent consideration of \$973 represents the value of the earnout payment as described in Note 1 – *The Acquisition*, which is accounted for as a current of \$368 and a non-current liability of \$605, marked to fair value each quarter with changes recorded through the statement of income.

The preliminary estimated purchase price is allocated as follows:

Net assets acquired:	Fair Value	Intangible Useful Life	Intangible Valuation Method
Net working capital including cash	\$ 54		
Trade names and trademarks	220	10	Relief from Royalty Method
National Marketing Organization Agreement (3)	870	10	With-and-Without Method
Noncompetition agreements	170	3	With-and-Without Method
Agent relationships	1,430	10	Multi-period Excess Earnings Method
Customer relationships	760	10	Multi-period Excess Earnings Method
Identifiable intangible assets	3,450		
Goodwill	6,036		
Total Fair Value	\$ 9,540		
Value Conveyed:			
Purchase Consideration	\$ 8,050		
Non-controlling interest	1,490		Discounted cash flow method utilizing a weighted average cost of capital rate. Level 3 investment.
Total Purchase Consideration	\$ 9,540		

(3) The National Marketing Organization Agreement (“NMO”) is referring to the agreement the Company has with a single insurance company where it derives a significant portion of its revenue from insurance products written through. For the six months ended June 30, 2026, commissions on products written through that insurance company accounted for approximately 77% of total insurance advisory revenues.

The purchase price was allocated among the identified assets to be acquired. Goodwill was recognized as a result of the acquisition, which represents the excess fair value of consideration over the fair value of the underlying net assets, largely arising from the extensive industry expertise of Affinity. This was considered appropriate based on the determination that the Acquisition would be accounted for as a business combination under ASC 805. The estimates of, and assumptions related to, fair value of assets acquired and liabilities assumed as of the Closing Date are based upon preliminary valuation assumptions believed by management to be reasonable, but which are inherently uncertain and unpredictable. Such assumptions are based on currently available information and market data. Because the unaudited pro forma combined consolidated financial information has been prepared based on these preliminary estimates, the final purchase price allocation and the resulting effect on financial position and results of operations may differ significantly from the pro forma amounts included herein.

(B) Reflects the payment of transaction costs of \$377, including certain legal, accounting, due diligence, and other related costs, incurred after the financial statement periods presented.

(C) Reflects the non-controlling interest value in Affinity of \$1,490 and classified as temporary equity.

(D) Reflects the repayment at closing of outstanding indebtedness of Affinity, consisting of the outstanding balance on the revolving line of credit of \$261 and credit card obligations of \$164 totaling a receivable of \$425, funded from cash consideration paid at closing. This repayment is presented separately from the cash on Affinity’s balance sheet at closing of \$338.

3. Notes to Unaudited Pro Forma Condensed Combined Statements of Operations

The following adjustments were made related to the unaudited pro forma condensed combined statements of operations for the six months ended June 30, 2026 and for the year ended December 31, 2025:

(AA) Reflects the adjustment to eliminate the interest expense related to the line of credit and credit cards of \$21 for the six months ended June 30, 2026 and \$44 for the year ended December 31, 2025.

(BB) Reflects the adjustment to record the amortization expense of identifiable intangible assets, which are amortized on a straight-line basis over their useful lives, of \$44 related to the NMO, \$149 related to the other intangibles for the six months ended June 30, 2026 and \$87 relate to the NMO and \$298 related to other intangibles for the year ended December 31, 2025.

(CC) Reflects the adjustment to record \$29 for the six months ended June 30, 2026 and \$58 for the year ended December 31, 2025 related to the non-controlling interest’s 15% of Affinity’s income.

(DD) Reflects the reclassifications of \$479 of general and administrative expenses and \$55 of occupancy and facilities expenses for the six months ended June 30, 2026 to selling, general and administrative expenses and of \$1,155 of general and administrative expenses and \$127 of occupancy and facilities expenses for the year ended December 30, 2025 to selling, general and administrative expenses to conform the acquiree’s financial statements to Stark’s financial statements.

4. Unaudited Pro Forma Net (loss) Income Per Share

Unaudited basic pro forma net income per share is computed by dividing pro forma net income attributable to common shares by the pro forma weighted average number of common shares outstanding during the period. Unaudited diluted pro forma net income per share is computed by dividing pro forma net income attributable to common shares by the weighted average number of common shares outstanding during the period after adjusting for the impact of

securities that would have a dilutive effect on net income per share. Because the Company is in a net loss position for both periods presented, any securities would have an anti-dilutive effect.