

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

FRMO CORP.

A Delaware Corporation

Principal Executive Offices and Principal Place of Business:
1 North Lexington Avenue, Suite 12C
White Plains, NY 10601

914-632-6730
www.frmocorp.com
info@frmocorp.com
SIC Code: 6719 – Holding Company

Quarterly Report

For the period ended November 30, 2025 (the “Reporting Period”)

Outstanding Shares

The number of shares outstanding of our Common Stock was:

44,022,781 as of November 30, 2025 [Current Reporting Period],

44,022,781 as of May 31, 2025 [Most Recent Completed Fiscal Year End]

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: No:

Indicate by check mark whether the company’s shell status has changed since the previous reporting period:

Yes: No:

Change in Control

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: No:

¹ “Change in Control” shall mean any events resulting in:

- (i) Any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company’s then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

FRMO Corp.

FRMO Corp. is an active corporation incorporated in the state of Delaware in November 1993. The name of the Corporation was changed from FRM Nexus (a Delaware Corporation) to FRMO Corp. on November 29, 2000.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

The address(es) of the issuer's principal executive office:

1 North Lexington Avenue, Suite 12C
White Plains, NY 10601

The address(es) of the issuer's principal place of business:

1 North Lexington Avenue, Suite 12C
White Plains, NY 10601

Check if principal executive office and principal place of business are the same address:

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: Yes: If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name:

Broadridge Corporate Issuer Solutions, Inc.
1717 Arch Street, Suite 1300
Philadelphia, PA 19103

Phone: 800-733-1121

Email: Shareholder@Broadridge.com

Publicly Quoted or Traded Securities:

Trading symbol:	FRMO
Exact title and class of securities outstanding:	Common Stock
CUSIP:	30262F205
Par or stated value:	\$0.001

Total shares authorized:	90,000,000	as of date: November 30, 2025
Total shares outstanding:	44,022,781	as of date: November 30, 2025
Number of shares in the Public Float:	19,615,522	as of date: November 30, 2025
Total number of shareholders of record:	50	as of date: November 30, 2025

All additional class(es) of publicly quoted or traded securities (if any):

Trading symbol:	n/a	
Exact title and class of securities outstanding:	Preferred Stock	
CUSIP:	n/a	
Par or stated value:	\$0.001	
Total shares authorized:	2,000,000	as of date: November 30, 2025
Total shares outstanding:	None	as of date: November 30, 2025
Total number of shareholders of record:	None	as of date: November 30, 2025

Other classes of authorized or outstanding equity securities:

None

Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: Yes: (If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance Date: May 31, 2023 Common: 44,022,781 Preferred: None									
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
October 5, 2023	Option grant	Option grant to purchase 3,000 shares of common stock, exercise price of \$7.50 per share	Common	N/A	N/A	Option Granted to Jay Hirschson	Director Compensation	Options are unexercised. Will be restricted upon exercise.	Registration of these Shares under the Securities Act of 1933, as amended, is not required pursuant to the exemption provided by Section 4(2) of the Act.
October 5, 2023	Option grant	Option grant to purchase 3,000 shares of common stock, exercise price of \$7.50 per share	Common	N/A	N/A	Option Granted to Alice C. Brennan	Director Compensation	Options are unexercised. Will be restricted upon exercise.	Registration of these Shares under the Securities Act of 1933, as amended, is not required pursuant to the exemption provided by Section 4(2) of the Act.
October 5, 2023	Option grant	Option grant to purchase 3,000 shares of common stock, exercise price of \$7.50 per share	Common	N/A	N/A	Option Granted to Hebert M. Chain	Director Compensation	Options are unexercised. Will be restricted upon exercise.	Registration of these Shares under the Securities Act of 1933, as amended, is not required pursuant to the exemption provided by Section 4(2) of the Act.
October 5, 2023	Option grant	Option grant to purchase 3,000 shares of common stock, exercise price of \$7.50 per share	Common	N/A	N/A	Option Granted to Dov Glickman	Director Compensation	Options are unexercised. Will be restricted upon exercise.	Registration of these Shares under the Securities Act of 1933, as amended, is not required pursuant to the exemption provided by Section 4(2) of the Act.
October 10, 2024	Option grant	Option grant to purchase 3,000 shares of common stock, exercise price of \$8.55 per share	Common	N/A	N/A	Option Granted to Jay Hirschson	Director Compensation	Options are unexercised. Will be restricted upon exercise.	Registration of these Shares under the Securities Act of 1933, as amended, is not required pursuant to the exemption provided by Section 4(2) of the Act.
October 10, 2024	Option grant	Option grant to purchase 3,000 shares of common stock, exercise price	Common	N/A	N/A	Option Granted to Alice C. Brennan	Director Compensation	Options are unexercised. Will be restricted upon exercise.	Registration of these Shares under the Securities Act of 1933, as amended,

		of \$8.55 per share							is not required pursuant to the exemption provided by Section 4(2) of the Act.
October 10, 2024	Option grant	Option grant to purchase 3,000 shares of common stock, exercise price of \$8.55 per share	Common	N/A	N/A	Option Granted to Hebert M. Chain	Director Compensation	Options are unexercised. Will be restricted upon exercise.	Registration of these Shares under the Securities Act of 1933, as amended, is not required pursuant to the exemption provided by Section 4(2) of the Act.
October 10, 2024	Option grant	Option grant to purchase 3,000 shares of common stock, exercise price of \$8.55 per share	Common	N/A	N/A	Option Granted to Dov Glickman	Director Compensation	Options are unexercised. Will be restricted upon exercise.	Registration of these Shares under the Securities Act of 1933, as amended, is not required pursuant to the exemption provided by Section 4(2) of the Act.
October 9, 2025	Option grant	Option grant to purchase 3,000 shares of common stock, exercise price of \$8.70 per share	Common	N/A	N/A	Option Granted to Jay Hirschson	Director Compensation	Options are unexercised. Will be restricted upon exercise.	Registration of these Shares under the Securities Act of 1933, as amended, is not required pursuant to the exemption provided by Section 4(2) of the Act.
October 9, 2025	Option grant	Option grant to purchase 3,000 shares of common stock, exercise price of \$8.70 per share	Common	N/A	N/A	Option Granted to Rimmy Malhotra	Director Compensation	Options are unexercised. Will be restricted upon exercise.	Registration of these Shares under the Securities Act of 1933, as amended, is not required pursuant to the exemption provided by Section 4(2) of the Act.
October 9, 2025	Option grant	Option grant to purchase 3,000 shares of common stock, exercise price of \$8.70 per share	Common	N/A	N/A	Option Granted to Melinda Newman	Director Compensation	Options are unexercised. Will be restricted upon exercise.	Registration of these Shares under the Securities Act of 1933, as amended, is not required pursuant to the exemption provided by Section 4(2) of the Act.
Shares Outstanding Ending Balance on Date of This Report: Date: November 30, 2025 Common: 44,022,781 Preferred: None									

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: Yes: (If yes, you must complete the table below)

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. (Please ensure that these descriptions are updated on the Company's Profile on www.otcmarketst.com).

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

The corporation is an intellectual capital firm that provides consulting and advisory services in the asset management sector and engages in the mining of digital assets.

B. List any subsidiaries, parent company, or affiliated companies.

Fromex Equity Corp., a Delaware corporation, is a wholly owned subsidiary of FRMO Corp.

C. Describe the issuers' principal products or services.

The interim condensed consolidated financial statements include the accounts of FRMO Corporation and its controlled subsidiaries (collectively referred to as the "Company"). As of November 30, 2025 and May 31, 2025, the Company held a 21.77% and 21.82% equity interest in Horizon Kinetics Hard Assets LLC ("HKHA"), a company formed by Horizon Kinetics Holding Corporation ("HKHC") or ("Horizon") and certain officers, principal stockholders and directors of the Company. The Company owns 4.42% of HKHC and earns substantially all of its advisory fees from HKHC (see Note 4 – Investments, Investments under the Equity Method of Accounting). Due to the common control and ownership between HKHA and the Company's principal stockholders and directors, HKHA has been consolidated within the Company's financial statements. The noncontrolling interest of 78.23% and 78.18% in HKHA has been eliminated from results of operations for the periods ended November 30, 2025 and 2024. Total stockholders' equity includes, as a separate item, the amount attributable to the noncontrolling interests.

D. Investment Concentration

The following are the approximate amounts of the Company's investments in equity securities and digital asset funds held directly and indirectly, through its various investments in managed funds, amounting to greater than 10% of stockholders' equity attributable to the Company ("Equity"). None of the Company's other direct or indirect investments were greater than 10% of Equity as of November 30, 2025 and May 31, 2025.

Investment	As of November 30, 2025		As of May 31, 2025	
	Amount	Percent of Equity	Amount	Percent of Equity
	(Unaudited)			
Investment A	\$ 169,114,000	57.7%	\$ 217,782,000	68.2%
Investment B	\$ 46,175,000	15.7%	\$ 53,327,000	16.7%

The following are the approximate amounts of investments included in the Company's investments in equity securities, and investments in limited partnerships and other equity investments (together, "Investments") held directly and indirectly, through its various investments in managed funds, amounting to greater than 10% of Investments. None of the Company's other direct or indirect investments were greater than 10% of Investments as of November 30, 2025 and May 31, 2025.

Investment	As of November 30, 2025		As of May 31, 2025	
	Amount	Percent of Investments	Amount	Percent of Investments
	(Unaudited)			
Investment A				
Equity securities	\$ 307,113,000	95.6%	\$ 395,807,000	96.9%
Investments in limited partnerships and other equity investments	\$ 80,210,000	44.0%	\$ 103,059,000	51.1%
Investment B				
Investments in limited partnerships and other equity investments	\$ 45,538,000	25.0%	\$ 52,571,000	26.1%

The following are the approximate amounts of investments included in the Company's unrealized (losses) gains from equity securities amounting to greater than 10% of unrealized (losses) gains from equity securities. None of the Company's other investments were greater than 10% of unrealized (losses) gains from equity securities for the three and six months ended November 30, 2025 and 2024.

Investment	Three Months Ended November 30, 2025		Three Months Ended November 30, 2024		Six Months Ended November 30, 2025		Six Months Ended November 30, 2024	
	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains
	(Unaudited)							
Investment A	\$ (24,585,000)	111.1%	\$ 252,404,000	99.2%	\$ (88,737,305)	110.7%	\$ 340,253,000	99.2%

5) Issuer's Facilities

Company leases fully furnished office space from Horizon Kinetics LLC at 1 North Lexington Avenue, Suite 12C, White Plains, New York 10601. The lease term is one year renewable for consecutive one-year periods until terminated.

Company owns two (2) warehouses, approximately 30,000 square feet each, situated on 3.56 acres of land located in North Carolina. The buildings are subject to a first mortgage with a principal balance of \$635,406 as of November 30, 2025.

6) Officers, Directors, and Control Persons

Name of Beneficial Owner	Shares Beneficially Owned or Controlled	Approximate Percentage of Shares outstanding
Murray Stahl (1)	8,023,313	18.2%
Steven Bregman	5,958,329	13.5%
John C. Meditz	5,421,351	13.0%
Thomas C. Ewing	4,539,048	10.5%
Peter B. Doyle	4,226,140	9.6%
Lawrence J. Goldstein	1,865,632	4.2%
Santa Monica Partners, L.P.(2)	1,012,757	2.3%
Jay P. Hirschson	3,000	*
Alice C. Brennan	5,500	*
R. Rimmy Malhotra	6,150	*
Melinda J. Newman	0	*
Jay Kesslen	12,243	*
Therese Byars	50,640	*
Directors and executive officers as a group	31,124,103	70.7%

* Less than 1%

(1) Includes approximately 857,300 shares held in pooled accounts controlled by Mr. Stahl. Mr. Stahl disclaims ownership over such shares except to the extent of his pecuniary interest.

(2) Controlled by Mr. Goldstein

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

NONE

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

NONE

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

NONE

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

NONE

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

NONE

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

NONE

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

NONE

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Morris Simkin
Firm: Law Office of Morris Simkin
Address 1: 5400 Broken Sound Blvd. NW, Apt. 431
Address 2: Boca Raton, FL 33487
Phone: (212) 455-0476
Email: msimkin@securitiesreglawyer.com

Accountant or Auditor

Name: Sougata Banerjee, Engagement Partner
Firm: CBIZ CPAs P.C.
Address 1: 600 Anton Boulevard, Suite 1600
Address 2: Costa Mesa, CA 92626
Phone: (949) 236-5600
Email: Sougata.Banerjee@cbiz.com

Investor Relations

None

All other means of Investor Communication:

Twitter: n/a
Discord: n/a
LinkedIn: n/a
Facebook: n/a
[Other] n/a

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: n/a
Firm: n/a
Nature of Services: n/a
Address 1: n/a
Address 2: n/a
Phone: n/a
Email: n/a

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Therese Byars
Title: Corporate Secretary
Relationship to Issuer: Officer

B. The following financial statements were prepared in accordance with:

- IFRS
 U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Victor Brodsky
Title: Accountant
Relationship to Issuer: Consultant

Describe the qualifications of the person or persons who prepared the financial statements:⁵ Certified Public Accountant, has prepared SEC filings for public companies including NASDAQ and OTC filers for over 40 years.

The financial statements listed in items 9Ca – 9Ce are appended to this Disclosure Statement.:

- a. Report of Independent Registered Public Accounting Firm
- b. Condensed Consolidated Balance Sheets
- c. Condensed Consolidated Statements of Income
- d. Condensed Consolidated Statements of Stockholders' Equity
- e. Condensed Consolidated Statements of Cash Flows
- f. Notes to Condensed Consolidated Financial Statements

⁵ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

10) Issuer Certification

Principal Executive Officer:

I, Murray Stahl certify that:

1. I have reviewed this Disclosure Statement for FRMO Corp;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

February 26, 2026

/s/ Murray Stahl

Principal Financial Officer:

I, Steven Bregman certify that:

1. I have reviewed this Disclosure Statement for FRMO Corp.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

February 26, 2026

/s/ Steven Bregman

**FRMO CORPORATION
AND SUBSIDIARIES**

White Plains, New York

INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS

As of November 30, 2025 (Unaudited) and
May 31, 2025 and for the Three Months and Six Months
Ended November 30, 2025 and 2024 (Unaudited)

**FRMO CORPORATION
AND SUBSIDIARIES**

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Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors of FRMO Corporation and Subsidiaries

Results of Review of Interim Financial Statements

We have reviewed the accompanying interim condensed consolidated balance sheet of FRMO Corporation and Subsidiaries (the "Company") as of November 30, 2025, and the related condensed consolidated statements of operations for the three- and six- month periods then ended and the related condensed consolidated statements of equity and cash flows for the six-month period then ended, and the related notes (collectively referred to as the "interim financial statements"). Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

The consolidated balance sheet of the Company as of May 31, 2025 and the related consolidated statement of income, stockholders' equity and cash flows for the year then ended, were previously audited by other auditors whose report dated August 14, 2025 (except for the restatement of certain accounts as to which the date was February 26, 2026) expressed an unqualified opinion on those statements.

Basis for Review Results

These interim financial statements are the responsibility of the Company's management, which includes the preparation and fair presentation of the interim financial information 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 interim financial information that is free from material misstatement, whether due to fraud or error. We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB") and in accordance with auditing standards generally accepted in the United States of America (GAAS) applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB or in accordance with GAAS, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ CBIZ CPAs P.C.

Costa Mesa, CA
February 26, 2026

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**FRMO CORPORATION
AND SUBSIDIARIES**
CONDENSED CONSOLIDATED BALANCE SHEETS
As of November 30, 2025 and May 31, 2025

<i>ASSETS</i>	November 30, 2025 (Unaudited)	May 31, 2025 As Restated
Current Assets		
Cash and cash equivalents	\$ 45,145,650	\$ 43,863,721
Accounts receivable (due from related parties)	1,073,500	1,041,870
Prepaid income taxes	-	1,223,286
Other current assets	142,357	176,168
Total Current Assets	46,361,507	46,305,045
Digital mining assets, net of accumulated depreciation of \$521,774 and \$618,307 at November 30, 2025 and May 31, 2025, respectively)	31,265	1,013,492
Equity securities, at fair value (cost of \$95,503,806 and \$95,731,117 at November 30, 2025 and May 31, 2025, respectively)	321,280,038	408,553,016
Digital assets, at fair value (cost of \$4,319,895 and \$4,282,088 at November 30, 2025 and May 31, 2025, respectively)	14,742,717	16,949,087
Investments in limited partnerships and other equity investments at fair value (cost of \$53,727,537 and \$51,182,126 at November 30, 2025 and May 31, 2025, respectively)	182,318,557	201,528,629
Investments in Securities Exchanges	15,143,690	7,946,555
Other investments	513,547	469,430
Investment in Horizon Kinetics Holding Corporation	20,190,307	20,438,764
Horizon Kinetics Holding Corporation Royalty Participation	10,200,000	10,200,000
Assets held for sale	953,975	-
Total Assets	\$ 611,735,603	\$ 713,404,018
<i>LIABILITIES AND STOCKHOLDERS' EQUITY</i>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 370,354	\$ 241,872
Income taxes payable	339,896	-
Current portion of mortgage note payable	26,636	25,643
Securities sold, not yet purchased (proceeds of \$10,817,860 and \$11,058,971 at November 30, 2025 and May 31, 2025, respectively)	786,454	1,307,495
Total Current Liabilities	1,523,340	1,575,010
Deferred tax liability	79,652,622	93,450,618
Mortgage note payable, net of current portion	608,770	622,147
Total Liabilities	81,784,732	95,647,775
Commitments and Contingencies (Note 12)		
Stockholders' Equity		
Stockholders' Equity Attributable to the Company	293,272,009	319,551,316
Noncontrolling interests	236,678,862	298,204,927
Total Stockholders' Equity	529,950,871	617,756,243
Total Liabilities and Stockholders' Equity	\$ 611,735,603	\$ 713,404,018

See notes to interim condensed consolidated financial statements.

**FRMO CORPORATION
AND SUBSIDIARIES**

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended		Six Months Ended	
	November 30,		November 30,	
	2025	2024	2025	2024
	As Restated		As Restated	
	(Unaudited)		(Unaudited)	
REVENUE				
Fees and other income	\$ 859,237	\$ 879,654	\$ 1,782,608	\$ 1,616,952
Dividends and interest income, net	1,086,081	984,422	2,191,527	5,442,204
Net realized gains (losses) from investments	519,333	(19,631)	566,473	(20,106)
Equity earnings (losses) from limited partnerships, limited liability companies and other equity investments	1,180,996	(1,467,371)	1,644,369	1,088,685
Unrealized (losses) gains from investments	(14,592,943)	93,995,195	(22,077,429)	110,394,309
Total revenue before unrealized gains (losses) from equity securities and digital assets	(10,947,296)	94,372,269	(15,892,452)	118,522,044
Unrealized (losses) gains from equity securities	(22,125,381)	254,393,612	(80,186,564)	342,828,522
Unrealized (losses) gains from digital assets	(2,937,957)	6,088,297	(2,244,176)	4,665,977
Total Revenue	<u>(36,010,634)</u>	<u>354,854,178</u>	<u>(98,323,192)</u>	<u>466,016,543</u>
OPERATING EXPENSES				
General and administrative expenses	468,108	343,760	825,638	712,722
Depreciation	14,126	49,120	28,252	98,240
Total Expenses	<u>482,234</u>	<u>392,880</u>	<u>853,890</u>	<u>810,962</u>
(Loss) Income from Operations before Provision for Income Taxes	(36,492,868)	354,461,298	(99,177,082)	465,205,581
(Benefit from) Provision for Income Taxes	(6,612,662)	57,692,231	(10,804,137)	73,256,967
Net (Loss) Income	(29,880,206)	296,769,067	(88,372,945)	391,948,614
Less net (loss) income attributable to noncontrolling interests	(16,867,746)	181,135,242	(61,930,452)	246,903,919
Net (loss) income attributable to the Company	<u>\$ (13,012,460)</u>	<u>\$ 115,633,825</u>	<u>\$ (26,442,493)</u>	<u>\$ 145,044,695</u>
NET (LOSS) INCOME PER COMMON SHARE				
Basic and diluted	<u>\$ (0.30)</u>	<u>\$ 2.63</u>	<u>\$ (0.60)</u>	<u>\$ 3.29</u>
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING				
Basic	<u>44,022,781</u>	<u>44,022,781</u>	<u>44,022,781</u>	<u>44,022,781</u>
Diluted	<u>44,022,781</u>	<u>44,022,781</u>	<u>44,022,781</u>	<u>44,028,540</u>

See notes to interim condensed consolidated financial statements.

**FRMO CORPORATION
AND SUBSIDIARIES**
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Six Months Ended November 30, 2025 and 2024 (Unaudited)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Stockholders'	Non- Controlling Interests	Total Stockholders' Equity
	Shares	Amount			Attributable to the Company		
BALANCE, As Restated - June 1, 2024	44,022,781	\$ 44,022	\$ 42,050,118	\$ 182,051,076	\$ 224,145,216	\$ 161,145,225	\$ 385,290,441
Non-cash compensation	-	-	51,600	-	51,600	-	51,600
Stock-based compensation	-	-	47,880	-	47,880	-	47,880
Capital Accounts of Consolidated Limited Liability Company	-	-	(43,528)	-	(43,528)	-	(43,528)
Net income	-	-	-	145,044,695	145,044,695	246,903,919	391,948,614
Capital contributed to consolidated subsidiary from noncontrolling interests	-	-	-	-	-	(244,408)	(244,408)
BALANCE, As Restated - November 30, 2024	<u>44,022,781</u>	<u>\$ 44,022</u>	<u>\$ 42,106,070</u>	<u>\$ 327,095,771</u>	<u>\$ 369,245,863</u>	<u>\$ 407,804,736</u>	<u>\$ 777,050,599</u>
					Stockholders'		
					Equity		
					Attributable		
					to the		
					Company		
					Non-		
					Controlling		
					Interests		
					Total		
					Stockholders'		
					Equity		
					Attributable		
					to the		
					Company		
					Non-		
					Controlling		
					Interests		
					Total		
					Stockholders'		
					Equity		
BALANCE, As Restated - June 1, 2025	44,022,781	\$ 44,022	\$ 45,350,465	\$ 274,156,829	\$ 319,551,316	\$ 298,204,927	\$ 617,756,243
Non-cash compensation	-	-	51,600	-	51,600	-	51,600
Stock-based compensation	-	-	39,420	-	39,420	-	39,420
Capital Accounts of Consolidated Limited Liability Company	-	-	72,166	-	72,166	-	72,166
Net loss	-	-	-	(26,442,493)	(26,442,493)	(61,930,452)	(88,372,945)
Capital contributed to consolidated subsidiary from noncontrolling interests	-	-	-	-	-	404,387	404,387
BALANCE - November 30, 2025	<u>44,022,781</u>	<u>\$ 44,022</u>	<u>\$ 45,513,651</u>	<u>\$ 247,714,336</u>	<u>\$ 293,272,009</u>	<u>\$ 236,678,862</u>	<u>\$ 529,950,871</u>

See notes to interim condensed consolidated financial statements.

**FRMO CORPORATION
AND SUBSIDIARIES**
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Six Months Ended November 30, 2025 and 2024

	November 30,	
	2025	2024
		As Restated (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) income	\$ (88,372,945)	\$ 391,948,614
Adjustments to reconcile net (loss) income to net cash flows from operating activities		
Stock-based compensation	39,420	47,880
Non-cash compensation	51,600	51,600
Net realized (gains) losses from investments	(566,473)	20,106
Equity earnings from limited partnerships, limited liability companies and other equity investments	(1,644,369)	(1,088,685)
Unrealized losses (gains) from investments subject to fair value valuation	22,077,429	(110,394,309)
Unrealized losses (gains) from equity securities	80,186,564	(342,828,522)
Unrealized losses (gains) from digital assets	2,244,176	(4,665,977)
Non-cash fee revenue	(44,136)	(53,685)
Depreciation	28,252	98,240
Deferred income tax (benefit) expense	(13,797,996)	71,356,932
Changes in operating assets and liabilities:		
Accounts receivable	(31,630)	(357,439)
Prepaid income taxes and other current assets	1,232,097	162,899
Accounts payable and accrued expenses	128,482	23,204
Income taxes payable	339,896	-
Net Cash Flows from Operating Activities	<u>1,870,367</u>	<u>4,320,858</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	2,719,231	60,658
Purchases of investments	(2,149,482)	(543,254)
Proceeds from sale of digital assets	6,339	-
Proceeds from securities sold, not yet purchased	85,646	250,029
Purchases to cover securities previously sold	(1,659)	(5,735)
Distributions from limited partnerships	45,803	207,588
Investment in other equity investments	(59,984)	-
Other investments	(971,893)	(1,011,870)
Net Cash Flows used in Investing Activities	<u>(325,999)</u>	<u>(1,042,584)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on mortgage payable	(12,384)	(8,515)
Proceeds from issuance of other consolidated subsidiary equity	30,000	30,000
Distributions to members of consolidated limited liability company	(280,055)	(950,000)
Net Cash Flows used in Financing Activities	<u>(262,439)</u>	<u>(928,515)</u>
Net Change in Cash and Cash Equivalents	1,281,929	2,349,759
CASH AND CASH EQUIVALENTS, Beginning of Period	43,863,721	39,189,906
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 45,145,650</u>	<u>\$ 41,539,665</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the period for		
Income taxes	<u>\$ 1,430,677</u>	<u>\$ 1,736,877</u>
Interest	<u>\$ 50,345</u>	<u>\$ 49,272</u>
NONCASH INVESTING ACTIVITIES		
Investment acquired through the contribution of other investments	<u>\$ 680,805</u>	<u>\$ 424,477</u>

See notes to interim condensed consolidated financial statements.

FRMO CORPORATION AND SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

NOTE 1 - Nature of Business and Basis of Presentation

Nature of Business and Basis of Presentation

FRMO Corporation ("FRMO" or the "Company") was incorporated in 1993 under the laws of the State of Delaware. In January 2001, FRMO spun off its operations in a transaction accounted for as a reverse pooling of interests. FRMO Corp. is an intellectual capital firm that provides consulting and advisory services in the asset management sector and engages in the mining of digital assets.

The interim condensed consolidated financial statements include the accounts of FRMO Corporation and its controlled subsidiaries (collectively referred to as the "Company"). As of November 30, 2025 and May 31, 2025, the Company held a 21.77% and 21.82% equity interest in Horizon Kinetics Hard Assets LLC ("HKHA"), a company formed by Horizon Kinetics Holding Corporation ("HKHC") or ("Horizon") and certain officers, principal stockholders and directors of the Company. The Company owns 4.42% of HKHC and earns substantially all of its advisory fees from HKHC (see Note 4 – Investments, Investments under the Equity Method of Accounting). Due to the common control and ownership between HKHA and the Company's principal stockholders and directors, HKHA has been consolidated within the Company's financial statements (see Note 13 – Variable Interest Entities). The noncontrolling interest of 78.23% and 78.18% in HKHA has been eliminated from results of operations for the periods ended November 30, 2025 and 2024. Total stockholders' equity includes, as a separate item, the amount attributable to the noncontrolling interests. The Company maintains its corporate office in White Plains, New York.

The accompanying interim unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information. The principles for interim condensed financial information do not require the inclusion of all the information and footnotes required by generally accepted accounting principles for complete financial statements. Therefore, these interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements as of and for the year ended May 31, 2025 and notes thereto. The accompanying interim condensed consolidated financial statements in the opinion of management, include all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of the Company's interim financial position and results of operations. The results of operations for the three months and six months ended November 30, 2025 may not be indicative of the results that may be expected for the year ending May 31, 2026.

NOTE 2 - Summary of Significant Accounting Policies

Reclassifications

The Company has reclassified certain prior period amounts to conform to the current year presentation.

Segment Information

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker ("CODM"), in deciding how to allocate resources and assess performance. The Company's CODM group is composed of the Chief Executive Officer and Chief Financial Officer. The Company operates as one operating segment and evaluates segment performance based on several factors, including income from operations before the provision for income taxes.

FRMO CORPORATION AND SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

Subsequent Events

The Company has evaluated all subsequent events from the date of the interim condensed consolidated balance sheets through February 26, 2026, which represents the date these interim condensed consolidated financial statements are available to be issued.

On February 9, 2026, the Company executed a real estate purchase agreement with a buyer related to the Company's property in North Carolina (see Note 8 – Mortgage Payable). The Company sold all land and property owned in North Carolina in exchange for cash and common stock of the buyer of \$1,625,000. Cash proceeds received from the buyer equaled the amount of the outstanding balance of the mortgage and were utilized immediately to pay the mortgage in full. The Company also received non-cash consideration of the buyer's common stock, equal to the purchase price less the amount of cash consideration related to the mortgage repayment.

NOTE 3 - Adoption of New Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which expands the disclosures required in an entity's income tax rate reconciliation table and requires disclosure of income taxes paid in both U.S. and foreign jurisdictions. The amendments are effective for fiscal years beginning after December 15, 2024, with early adoption permitted, to be applied on a prospective basis, with retrospective application permitted. These requirements will impact our income tax disclosures and we are currently evaluating the impact of adoption.

In November 2024, the FASB issued ASU 2024-03, Income Statement (Topic 220): Reporting Comprehensive Income - Expense Disaggregation Disclosures, which requires an entity to disclose on an annual and interim basis, disaggregated information about specific income statement expense categories. The guidance should be applied prospectively with the option to apply the standard retrospectively. This ASU is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the potential impact of adopting this new guidance on its consolidated financial statements and disclosures.

In December 2025, the FASB issued ASU 2025-11, Interim Reporting ("ASU 2025-11") which is intended to improve the navigability of the guidance in ASC 270, Interim Reporting, and clarify when it applies. Under the amendments, an entity is subject to ASC 270 if it provides interim financial statements and notes in accordance with GAAP. ASU 2025-11 also addresses the form and content of such financial statements, interim disclosures requirements, and establishes a principle under which an entity must disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, and early adoption is permitted. The Company is currently evaluating the potential impact of adopting this new guidance on its consolidated financial statements and disclosures.

**FRMO CORPORATION
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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

NOTE 4 - Investments

Limited Partnerships and Equity Investments

The Company's investments in limited partnerships and equity investments consist of the following as of November 30, 2025 and May 31, 2025:

	As of November 30, 2025 (Unaudited)		
	Cost or (Proceeds)	Net Unrealized Gains	Fair Value
Equity Securities	\$ 95,503,806	\$225,776,232	\$321,280,038
Investments in limited partnerships and other equity investments:			
Limited partnerships			
Investment in South LaSalle Partners, LP	\$ 5,523,256	\$ 20,591,027	\$ 26,114,283
Investments in managed funds			
Horizon Multi-Strategy Fund, LP	23,324,820	45,823,353	69,148,173
CDK Partners, LP	1,932,583	9,530,838	11,463,421
Polestar Fund, LP	17,569,333	48,069,127	65,638,460
Multi-Disciplinary Fund, LP	668,743	593,354	1,262,097
Kinetics Institutional Partners, LP	10,194	42,188	52,382
Shepherd I, LP	18,483	37,269	55,752
Other	42,162	851,471	893,633
Total investments in managed funds	43,566,318	104,947,600	148,513,918
Investment in Winland Holdings Corporation, 2,229,085 shares	4,637,963	3,052,393	7,690,356
Total investments in limited partnerships and other equity investments	\$ 53,727,537	\$128,591,020	\$182,318,557
Securities sold, not yet purchased (liability)	\$(10,817,860)	\$ 10,031,406	\$ (786,454)

**FRMO CORPORATION
AND SUBSIDIARIES**

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

	As of May 31, 2025		
	Cost or (Proceeds)	Net Unrealized Gains	Fair Value
Equity Securities	\$ 95,731,117	\$312,821,899	\$408,553,016
Investments in limited partnerships and other equity investments:			
Limited partnerships			
Investment in South LaSalle Partners, LP	\$ 5,530,799	\$ 9,062,614	\$ 14,593,413
Investments in managed funds			
Horizon Multi-Strategy Fund, LP	21,927,187	59,830,537	81,757,724
CDK Partners, LP	1,919,369	11,588,689	13,508,058
Polestar Fund, LP	17,409,893	62,372,706	79,782,599
Multi-Disciplinary Fund, LP	661,479	748,015	1,409,494
Kinetics Institutional Partners, LP	10,049	52,695	62,744
Shepherd I, LP	16,368	49,867	66,235
Other	40,912	856,544	897,456
Total investments in managed funds	41,985,257	135,499,053	177,484,310
Investment in Winland Holdings Corporation, 2,010,831 shares	3,666,070	5,784,836	9,450,906
Total investments in limited partnerships and other equity investments	\$ 51,182,126	\$150,346,503	\$201,528,629
Securities sold, not yet purchased (liability)	\$(11,058,971)	\$ 9,751,476	\$ (1,307,495)

Investments in Unconsolidated Entities

Investment in Securities Exchanges

Investments in securities exchanges consist of the following as of November 30, 2025 and May 31, 2025:

	November 30, 2025 (Unaudited)	May 31, 2025
Miami International Holdings, Inc., at fair value (cost of \$4,322,905 at November 30, 2025 and May 31, 2025)	\$ 14,900,650	\$ 7,703,515
CNSX Markets, Inc.	243,040	243,040
Total securities exchanges	\$ 15,143,690	\$ 7,946,555

FRMO CORPORATION AND SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

The Company elected to account for its investment in Miami International Holdings, Inc. (“MIH”) under the fair value method of accounting. On August 15, 2025, MIH completed an initial public offering (“the IPO”). All shareholders of MIH prior to the IPO (including the Company) were required to enter into lockup agreements that restrict sales for a period of six months following the IPO.

The Company holds less than a 2.00% interest in CNSX Markets, Inc., which is carried at cost.

Other Investments

The following are the Company’s other investments as of November 30, 2025 and May 31, 2025:

	November 30, 2025	May 31, 2025
	(Unaudited)	
Digital Asset Mining Entity:		
Consensus Mining and Seigniorage Corporation, at fair value as of		
November 30, 2025 ⁽¹⁾ (cost of \$512,775 at November 30, 2025,		
and \$393,169 at May 31, 2025	\$ 437,286	\$ 393,169
Digital Currency Group, Inc.	76,261	76,261
Total other investments	\$ 513,547	\$ 469,430

- (1) On May 13, 2025, Consensus Mining and Seigniorage Corporation (“CMSC”) was qualified to trade on the OTC Markets. (“OTCQX”), and on July 28, 2025, CMSC began trading on the OTCQX. As of July 28, 2025, the Company elected to account for its investment in CMSC under the fair value method of accounting.

The Company holds a less than a 1.00% interest in each of these other investments.

Concentration

The following are the approximate amounts of the Company’s investments in equity securities and digital asset funds held directly and indirectly, through its various investments in managed funds, amounting to greater than 10% of stockholders’ equity attributable to the Company (“Equity”). None of the Company’s other direct or indirect investments were greater than 10% of Equity as of November 30, 2025 and May 31, 2025.

Investment	As of November 30, 2025		As of May 31, 2025	
	Amount	Percent of Equity	Amount	Percent of Equity
	(Unaudited)		As Restated	
Investment A	\$ 169,114,000	57.7%	\$ 217,782,000	68.2%
Investment B	\$ 46,175,000	15.7%	\$ 53,327,000	16.7%

**FRMO CORPORATION
AND SUBSIDIARIES**

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

The following are the approximate amounts of investments included in the Company's investments in equity securities, and investments in limited partnerships and other equity investments (together, "Investments") held directly and indirectly, through its various investments in managed funds, amounting to greater than 10% of Investments. None of the Company's other direct or indirect investments were greater than 10% of Investments as of November 30, 2025 and May 31, 2025.

Investment	As of November 30, 2025		As of May 31, 2025	
	Amount	Percent of Investments	Amount	Percent of Investments
	(Unaudited)			
Investment A				
Equity securities	\$ 307,113,000	95.6%	\$ 395,807,000	96.9%
Investments in limited partnerships and other equity investments	\$ 80,210,000	44.0%	\$ 103,059,000	51.1%
Investment B				
Investments in limited partnerships and other equity investments	\$ 45,538,000	25.0%	\$ 52,571,000	26.1%

The following are the approximate amounts of investments included in the Company's unrealized gains (losses) from equity securities amounting to greater than 10% of unrealized gains (losses) from equity securities. None of the Company's other investments were greater than 10% of unrealized gains (losses) from equity securities for the three months and six months ended November 30, 2025 and 2024.

Investment	Three Months Ended November 30, 2025		Three Months Ended November 30, 2024		Six Months Ended November 30, 2025		Six Months Ended November 30, 2024	
	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains
	(Unaudited)							
Investment A	\$ (24,585,000)	111.1%	\$ 252,404,000	99.2%	\$ (88,737,305)	110.7%	\$ 340,253,000	99.2%

**FRMO CORPORATION
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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

NOTE 5 – Digital Assets

The Company’s holdings in digital assets consist of the following as of November 30, 2025 and May 31, 2025:

	As of November 30, 2025 (Unaudited)			
	Units	Cost	Net Unrealized Gains	Fair Value
Digital assets held				
Bitcoin	159.3	\$ 4,014,405	\$ 10,376,707	\$ 14,391,112
Other digital assets		305,490	46,115	351,605
Total		\$ 4,319,895	\$ 10,422,822	\$ 14,742,717

	As of May 31, 2025			
	Units	Cost	Net Unrealized Gains	Fair Value
Digital assets held				
Bitcoin	159.0	\$ 3,977,424	\$ 12,656,634	\$ 16,634,058
Other digital assets		304,664	10,365	315,029
Total		\$ 4,282,088	\$ 12,666,999	\$ 16,949,087

NOTE 6 - Fair Value Measurements

The following tables present information about the Company’s assets and liabilities that are measured at fair value on a recurring basis as of November 30, 2025 and May 31, 2025, and indicates the fair value hierarchy the Company utilized to determine such fair values.

In accordance with ASC Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheets.

In accordance with the fair value accounting requirements, companies may choose to measure eligible financial instruments and certain other items at fair value. The Company has elected the fair value option for its investments on an investment-by-investment basis at the time each investment is initially recognized in the financial statements or upon an event that gives rise to a new basis of accounting for these items. The Company has elected the fair value option for its investment in Winland Holdings Corporation.

**FRMO CORPORATION
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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

		As of November 30, 2025 (Unaudited)			
		Fair Value Measurements at Reporting Date Using			
		Quoted Prices (Unadjusted)		Significant Other	
		Investments Measured at Net Asset Value	in Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Total	Total	Value	(Level 1)	(Level 2)	(Level 3)
Assets (at fair value):					
Money Market Mutual Funds included in Cash and Cash Equivalents					
\$ 44,015,669	\$	-	\$ 44,015,669	\$	-
Other Investments:					
\$ 321,280,038	\$	-	\$ 321,280,038	\$	-
14,742,717		-	14,742,717	-	-
182,318,557	174,628,201	-	7,690,356	-	-
\$ 518,341,312	\$ 174,628,201	\$ 336,022,755	\$ 7,690,356	\$	-
Liabilities (at fair value):					
\$ 786,454	\$	-	\$ 786,454	\$	-

**FRMO CORPORATION
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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

	As of May 31, 2025				
	Fair Value Measurements at Reporting Date Using				
	Investments Measured at Net Asset Value	Quoted Prices (Unadjusted)		Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		in Active Markets for Identical Assets (Level 1)			
		Total			
Total					
Assets (at fair value):					
Money Market Mutual Funds included in Cash and Cash Equivalents	\$ 43,513,703	\$ -	\$ 43,513,703	\$ -	\$ -
Other Investments:					
Equity Securities	\$ 408,553,016	\$ -	\$ 408,553,016	\$ -	\$ -
Digital Assets	16,949,087	-	16,949,087	-	-
Investment in Limited Partnerships and other Equity Investments	201,528,629	192,077,723	-	9,450,906	-
Total Other Investments	\$ 627,030,732	\$ 192,077,723	\$ 425,502,103	\$ 9,450,906	\$ -
Liabilities (at fair value):					
Common Stocks	\$ 1,307,495	\$ -	\$ 1,307,495	\$ -	\$ -

NOTE 7 - Income Taxes

The Company files a consolidated federal income tax return and a combined state/city tax return with its wholly-owned subsidiary, Fromex Equities Corp. HKHA, which is included in consolidated net income (loss) before taxes, is a pass-through entity subject to K-1 reporting and is not included in the Company's consolidated income tax return. Pass-through income allocated to the Company is based on the Company's ownership percentage as of November 30, 2025 and May 31, 2025, which was 21.77% and 21.82%, respectively. Income tax attributable to the remaining noncontrolling interest of 78.23% and 78.18% represents a permanent difference related to "consolidation of noncontrolling interests" in the reconciliation table below of federal statutory rate to effective tax rate.

The Company records adjustments related to prior years' taxes during the period when they are identified, generally when the tax returns are filed. The effect of these adjustments on the current and prior periods (during which the differences originated) is evaluated based upon quantitative and qualitative factors and are considered in relation to the interim condensed consolidated financial statements taken as a whole for the respective periods.

**FRMO CORPORATION
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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

The (benefit from) provision for income taxes is comprised of the following:

	Three Months Ended November 30,		Six Months Ended November 30,	
	2025	2024	2025	2024
	As Restated (Unaudited)		As Restated (Unaudited)	
Current				
Federal	\$ 349,458	\$ 21,281	\$ 1,615,614	\$ 966,974
State and City	264,624	51,992	1,378,245	933,061
Total Current	<u>614,082</u>	<u>73,273</u>	<u>2,993,859</u>	<u>1,900,035</u>
Deferred				
Federal	(3,840,578)	30,621,006	(7,332,804)	37,921,913
State and City	(3,386,166)	26,997,952	(6,465,192)	33,435,019
Total Deferred	<u>(7,226,744)</u>	<u>57,618,958</u>	<u>(13,797,996)</u>	<u>71,356,932</u>
Total (Benefit from) Provision for Income Taxes	<u>\$ (6,612,662)</u>	<u>\$ 57,692,231</u>	<u>\$ (10,804,137)</u>	<u>\$ 73,256,967</u>

The provision for income taxes includes estimated amounts for income and loss items derived from pass through entities. The actual amounts are determined upon completion of the Company's tax return and may differ from the amounts presented above due to the variable nature of these items.

Deferred tax assets and liabilities are determined using the enacted tax rates applicable to the period the temporary differences are expected to be recovered. The net deferred income taxes on the balance sheets reflect temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and income tax purposes, tax effected at a various rates depending on whether the temporary differences are subject to federal taxes, state and city taxes, or both.

The tax effects of temporary differences which give rise to the deferred tax liability consist of the following as of November 30, 2025 and May 31, 2025:

	November 30, 2025 (Unaudited)	May 31, 2025 As Restated
Investments in limited partnerships	\$ 235,617	\$ 164,116
Investment in unconsolidated limited liability companies	1,535,262	1,618,013
Deferral of gain from like-kind exchange	3,350,639	3,350,639
Unrealized gain from equity securities, digital assets and investments in managed funds	<u>74,531,104</u>	<u>88,317,850</u>
Net Deferred Tax Liability	<u>\$ 79,652,622</u>	<u>\$ 93,450,618</u>

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As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
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A reconciliation of the federal statutory rate to the effective tax rate is as follows for the three months and six months ended November 30, 2025 and 2024:

	Three Months Ended November 30,				Six Months Ended November 30,			
	2025		2024		2025		2024	
	(Unaudited)	As Restated (Unaudited)			(Unaudited)	As Restated (Unaudited)		
Income before taxes	\$ (36,492,868)	100.0%	\$ 354,461,298	100.0%	\$ (99,177,082)	100.0%	\$ 465,205,581	100.0%
Computed expected tax expense	\$ (7,663,502)	21.0%	\$ 74,436,873	21.0%	\$ (20,827,187)	21.0%	\$ 97,693,172	21.0%
State and City taxes, net of federal benefit	(4,490,720)	12.3%	43,619,112	12.3%	(12,204,481)	12.3%	57,247,024	12.3%
Permanent differences	(74,231)	0.2%	(53,174)	0.0%	1,618,730	-1.6%	499,107	0.1%
Other	18	0.0%	27	0.0%	100	0.0%	258	0.0%
Provision for income taxes before consolidation of noncontrolling interests	(12,228,435)	33.5%	118,002,838	33.3%	(31,412,838)	31.7%	155,439,561	33.4%
Permanent differences related to consolidation of non controlling interests	5,615,773	-15.4%	(60,310,607)	-17.0%	20,608,701	-20.8%	(82,182,594)	-17.7%
Total provision for income taxes	\$ (6,612,662)	18.1%	\$ 57,692,231	16.3%	\$ (10,804,137)	10.9%	\$ 73,256,967	15.8%

NOTE 8 – Mortgage Payable

On November 8, 2019, the Company acquired a building located in North Carolina to be used in certain business operations for \$1,050,000. The building was purchased subject to an \$800,000 mortgage with a 3.9% interest rate and a balloon payment of \$655,255 due on the maturity date of November 6, 2024. The mortgage was extended through November 6, 2029 with a 7.45% interest rate and a balloon payment of \$522,374 due on the maturity date. The mortgage is also collateralized by an assignment of all rents received from the building. The building is currently rented to a related party, subject to a lease-free month to month rental of \$11,450 per month.

The following table presents contractual payments of the Company's obligation under this mortgage as of November 30, 2025:

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For the Period Ending May 31,	Total
	(Unaudited)
2026 (Remainder of fiscal year)	\$ 13,259
2027	27,649
2028	29,691
2029	32,133
2030	532,674
Total	\$ 635,406

On February 9, 2026, the Company entered into a real estate purchase agreement related to the property in North Carolina. The Company received cash proceeds equal to the outstanding amount of the mortgage and paid the balance in full on the same date. See Note 2 – Summary of Significant Accounting Policies for additional information.

NOTE 9 - Net Income Per Common Share and Per Common Share Equivalent

Basic and diluted earnings per common share is calculated by dividing net income allocated to common stock by the weighted average common shares outstanding during the period. The weighted average number of shares of common stock used in the calculation of diluted earnings per share is adjusted for the dilutive effects of potential common shares including the assumed exercise of vested stock options based on the treasury stock method. Assumed exercise or conversion of potential common shares is only when the weighted average market price for the period exceeds the exercise price and the conversion price, and that the entity records earnings from continuing operations, as the inclusion of such adjustments would otherwise be anti-dilutive to earnings per share from continuing operations.

Potential common shares consist of unexercised stock options of 74,000 and 73,000 for the six months ended November 30, 2025 and 2024, respectively.

As of November 30, 2025 and May 31, 2025 there were 40,000 and 24,000 vested options, respectively, with an exercise price below the weighted average market price of the Company's common stock during the period.

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As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
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The reconciliation of the weighted average number of common shares used in the calculation of basic and diluted earnings per common share follows for the three months and six months ended November 30:

	Three Months Ended November 30,		Six Months Ended November 30,	
	2025	2024	2025	2024
	(Unaudited)		(Unaudited)	
Weighted Average Common Shares outstanding	44,022,781	44,022,781	44,022,781	44,022,781
Effect of Dilutive Securities, common share				
Exercise of stock options	-	-	-	5,759
Dilutive Potential Common Share Equivalents	44,022,781	44,022,781	44,022,781	44,028,540

NOTE 10 - Stockholders' Equity

Redeemable Preferred Stock

The number of authorized Series R preferred shares is 5,000 with a par value of \$.001 per share. These shares are each convertible to 1,000 shares of the Company's common stock at the option of either the Company or the holder. There were no shares of preferred stock outstanding as of November 30, 2025 and May 31, 2025.

Stock Options

A summary of option activity as of November 30, 2025, and changes during the six months then ended, is as follows:

<i>Stock Options</i> (Unaudited)	Number of Shares	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at June 1, 2025	73,000	\$ 8.12	3.75	\$ 52,440
Granted	9,000	\$ 8.70	6.86	
Exercised	-	\$ -	-	
Expired	(8,000)	\$ 7.90	-	
Outstanding at November 30, 2025	74,000	\$ 8.21	4.06	\$ 31,000
Vested and Exercisable at November 30, 2025	74,000	\$ 8.21	4.06	\$ 31,000

All stock options were vested as of November 30, 2025 and May 31, 2025.

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As of November 30, 2025 (Unaudited) and May 31, 2025 and for the
Three Months and Six Months Ended November 30, 2025 and 2024 (Unaudited)

The aggregate intrinsic value of options outstanding and options exercisable at November 30, 2025 and May 31, 2025 is calculated as the difference between the exercise price of the underlying options and the market price of FRMO's common stock for the shares that had exercise prices that were lower than the \$7.79 and \$8.41 closing price of FRMO's common stock on November 30, 2025 and May 31, 2025, respectively.

As of November 30, 2025, there was no unrecognized compensation cost related to unvested options.

NOTE 12 – Commitments and Contingencies

The Company and the companies in which it holds ownership interests may be involved in various claims and legal actions in the ordinary course of business. Currently there are no material pending claims or legal actions against the Company or the companies in which it holds ownership interests. The Company records the costs associated with legal fees as such services are rendered.

NOTE 13 – Variable Interest Entities

In addition to its wholly-owned subsidiaries, GAAP requires that the assets, liabilities and results of operations of a variable interest entity (“VIE”) be consolidated into the financial statements of the enterprise that has a controlling interest in the VIE.

Due to the common control and ownership between HKHA and the Company’s principal stockholders and directors, the Company determined HKHA to be a VIE. The Company concluded that it is the primary beneficiary as substantially all of the activities of the fund are currently conducted on behalf of the Company.

The assets and liabilities of HKHA presented on the accompanying Condensed Consolidated Balance Sheets consist of:

	November 30, 2025	May 31, 2025
	(Unaudited)	
Assets of Variable Interest Entities		
Cash and cash equivalents	\$ 11,248,795	\$ 10,108,938
Equity securities, at fair value	288,587,366	368,415,397
Total	\$ 299,836,161	\$ 378,524,335
 Liabilities of Variable Interest Entities		
Accounts payable and accrued expenses	\$ 54,770	\$ 9,112
Total	\$ 54,770	\$ 9,112

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The following condensed financial information of HKHA presented on the accompanying Condensed Consolidated Statements of Operations consist of:

	Three Months Ended		Six Months Ended	
	November 30,		November 30,	
	2025	2024	2025	2024
	(Unaudited)		(Unaudited)	
REVENUE				
Dividends and interest income, net	\$ 651,546	\$ 501,054	\$ 1,294,989	\$ 4,141,631
Net realized gains (losses) from investments	<u>207,200</u>	<u>(122)</u>	<u>237,712</u>	<u>(124)</u>
Total revenue before unrealized gains from equity securities	858,746	500,932	1,532,701	4,141,507
Unrealized (losses) gains from equity securities	<u>(22,388,473)</u>	<u>231,394,787</u>	<u>(80,680,397)</u>	<u>311,927,908</u>
Total Revenue	<u>(21,529,727)</u>	<u>231,895,719</u>	<u>(79,147,696)</u>	<u>316,069,415</u>
OPERATING EXPENSES				
General and administrative expenses	<u>9,911</u>	<u>6,221</u>	<u>16,886</u>	<u>12,171</u>
(Loss) Income from Operations before Provision for Income Taxes	(21,539,638)	231,889,498	(79,164,582)	316,057,244
Provision for income taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (loss) income	<u>\$ (21,539,638)</u>	<u>\$ 231,889,498</u>	<u>\$ (79,164,582)</u>	<u>\$ 316,057,244</u>

NOTE 14 - Assets Held For Sale

As of November 30, 2025, certain assets have met the held for sale criteria in connection with the execution of the real estate purchase agreement with a buyer related to the Company's property in North Carolina in exchange for cash and common stock of the buyer in the amount of \$1,625,000. See Note 2 – Summary of Significant Accounting Policies for additional information. The carrying value of the land and property in North Carolina is \$953,975 as of November 30, 2025. There were no other assets or liabilities that met the criteria for classification as held for sale.

As the purchase price exceeded the carrying value of the property held for sale, there was no adjustment to fair value for the three and six months ended November 30, 2025.