

FRMO Corp. Announces Non-Reliance on Previously Issued Financial Statements

WHITE PLAINS, N.Y. —January 15, 2026

FRMO Corp. (the “Company” or “FRMO”) (OTC Pink: FRMO) today announced that shareholders and others should not rely upon certain of the Company’s previously issued financial statements and that it will delay filing its condensed consolidated financial statements for the three and six months ended November 30, 2025.

The Company will file a Notification of Late Filing for the period ended November 30, 2025 to provide for additional time to prepare the Company’s financial statements and related filings as well as restatements of previously issued financial statements. However, the Company does not believe that the amendments will have any impact on the Company’s cash and cash equivalents, total assets, net income or loss from operations before the provision of income taxes, cash paid for income taxes, or cash flows from operations.

On January 15, 2026, the Audit Committee of the Board of Directors (the “Audit Committee”) of FRMO, in consultation with the Company’s management and CBIZ CPAs P.C. (“CBIZ”), the Company’s current independent registered public accounting firm, concluded that the Company’s previously issued consolidated financial statements as of and for the years ended May 31, 2025 and 2024 should no longer be relied upon. As set forth below, it was determined that a restatement is required to correct the valuation of deferred tax liabilities and the provision for income taxes in the Company’s financial statements. As noted above, the Company does not believe that this change will impact cash and cash equivalents, total assets, net income or loss from operations before the provision of income taxes, cash paid for income taxes, or cash flows from operations.

Additionally the Company’s previously issued unaudited interim condensed consolidated financial statements as of and for the three, six and nine months ended, August 31, 2024, November 30, 2024, and February 28, 2025, respectively, during the fiscal year ended May 31, 2025, and as of and for the three months ended August 31, 2025, should no longer be relied upon (the “Affected Periods”). Similarly, press releases, earnings releases or other communications describing the Company’s financial statements and other related financial information covering the aforementioned periods should no longer be relied upon.

The Company intends to restate the aforementioned financial statements by restating the Company’s consolidated financial statements as of and for the years ended May 31, 2025 and 2024, respectively, and the unaudited interim condensed consolidated financial statements during those periods.

The Audit Committee determined that the Company’s accounting for deferred income taxes in the Affected Periods did not comply with Financial Accounting Standards Board Accounting Standards Codification Topic 740, Income Taxes. As a result of these preliminary findings, the Audit Committee has determined that the valuation of deferred tax liabilities related to unrealized gains from investments, equity securities, and digital assets was incorrect. The Audit Committee has determined that these misstatements are material for the Affected Periods and that the correction of deferred income taxes will impact each of those financial statements.

The Audit Committee and management of the Company have discussed the matters disclosed in this press release with CBIZ.

About FRMO Corp.

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.

For more information, visit our website at www.frmocorp.com.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995 – With the exception of historical information, the matters discussed in this press release are forward-looking statements that involve a number of risks and uncertainties. Words like “believe,” “expect” and “anticipate” mean that these are our best estimates as of this writing, but that there can be no assurances that expected or anticipated results or events will actually take place, so our actual future results could differ significantly from those statements. Factors that could cause or contribute to such differences include, but are not limited to: our ability to maintain our competitive advantages, the general economics of the financial industry, our ability to finance growth, our ability to identify and close acquisitions on terms favorable to the Company, and a sustainable market.

Further information on our risk factors is contained in our quarterly and annual reports as filed on our website www.frmocorp.com and on www.otcm Markets.com/stock/FRMO/filings.

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