

FRMO Corp. Announces Fiscal 2026 First Quarter Results and Conference Call

WHITE PLAINS, N.Y. — October 15, 2025

FRMO Corp. (the “Company” or “FRMO”) (OTC Pink: FRMO) reported its financial results for the fiscal year 2026 first quarter ended August 31, 2025.

Financial Highlights

FRMO’s total book value as of August 31, 2025 was \$590.4 million. Excluding the non-controlling interests, equity attributable to shareholders was \$337.2 million (\$7.66 per share). This compares with total book value at the prior fiscal year end on May 31, 2025 of \$651.2 million. Excluding the non-controlling interests, equity attributable to shareholders was \$353.0 million (\$8.02 per share) at May 31, 2025.

Current assets, comprised primarily of cash and equivalents and equity securities, amounted to \$409.4 million as of August 31, 2025, and \$471.8 million as of May 31, 2025. Total liabilities were \$58.7 million as of August 31, 2025, and \$62.2 million as of May 31, 2025, comprised primarily of securities sold, not yet purchased, and deferred taxes.

FRMO’s net loss attributable to the Company for the quarter ended August 31, 2025 was \$15.9 million (\$0.36 per diluted share), compared to net income of \$34.5 million (\$0.78 per diluted share) quarter ended August 31, 2024. The equity security investment that accounts for the net loss is identified as Investment A in Note 4 of the Interim Condensed Consolidated Financial Statements under Investment Concentration.

Net loss attributable to the Company excluding the effect of unrealized loss from equity securities and digital assets net of taxes for the three months ended August 31, 2025 was \$3.9 million (\$0.09 per diluted share) compared to net income attributable to the Company excluding the effect of unrealized gain from equity securities and digital assets net of taxes of \$11.6 million (\$0.26 per diluted share) for the three months ended August 31, 2024.

Net income or loss attributable to the Company excluding the effect of unrealized gain or loss from equity securities and digital assets net of taxes is a measure not based on GAAP and is defined and reconciled to the most directly comparable GAAP measures in “Information Regarding Non-GAAP Measures” at the end of this release.

Valuation of securities and digital assets are subject to change after August 31, 2025. The market value of several securities and digital assets might have changed substantially since that date. We look forward to finding new ways to expand our digital assets mining operations.

The interim condensed consolidated financial statements include the accounts of FRMO Corporation and its controlled subsidiaries (collectively referred to as the “Company”). As of August 31, 2025 and May 31, 2025, the Company held a 21.80% 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 78.20% and 78.18% in HKHA has been eliminated from results of operations for

the periods ended August 31, 2025 and August 31, 2024. Total stockholders' equity includes, as a separate item, the amount attributable to the noncontrolling interests.

Further details are available in the Company's Condensed Consolidated Financial Statements for the three months ended August 31, 2025 and August 31, 2024. These statements have been filed on the OTC Markets Group Disclosure and News Services, which may be accessed at www.otcm Markets.com/stock/FRMO/filings. These documents are also available on the FRMO website at www.frmocorp.com.

Conference Call

Murray Stahl, CEO, and Steven Bregman, President and CFO, will host a conference call on Monday, October 20, 2025 at 4:15 p.m. Eastern Time. *Only questions submitted to info@frmocorp.com before 1:00 p.m. on the day of the call will be considered.* You may register for the conference call by clicking on the following link:

Please register for FRMO 1Q2026 Quarterly Conference Call on Oct 20, 2025 4:15 PM EDT at:

<https://attendee.gotowebinar.com/register/7914408292465381723>

After registering, you will receive a confirmation email containing information about joining the webinar.

An audio replay link will be available on the FRMO website (https://frmocorp.com/q_transcripts.html) until the summary transcript is posted.

Condensed Consolidated Balance Sheets
(in thousands)

	August 31, 2025	May 31, 2025
	(Unaudited)	
Assets		
Current Assets:		
Cash and cash equivalents	\$ 45,021	\$ 43,864
Equity securities, at fair value	345,510	408,553
Digital assets, at fair value	17,663	16,949
Other current assets	1,184	2,441
Total Current Assets	409,377	471,807
Investment in limited partnerships and other equity investments, at fair value	195,385	201,529
Investments in securities exchanges	12,520	7,947
Other assets	1,688	1,483
Investment in Horizon Kinetics Holding Corporation	19,929	20,439
Horizon Kinetics Holding Corporation royalty participation	10,200	10,200
Total Assets	\$ 649,100	\$ 713,404
Liabilities and Stockholders' Equity		
Current Liabilities:		
Securities sold, not yet purchased	\$ 941	\$ 1,307
Other current liabilities	1,301	268
Total Current Liabilities	2,242	1,575
Deferred Tax Liability	55,874	60,017
Mortgage payable	616	622
Total Liabilities	58,731	62,214
Stockholders' Equity:		
Stockholders' Equity Attributable to the Company	337,156	352,985
Noncontrolling interests	253,213	298,205
Total Stockholders' Equity	590,369	651,190
Total Liabilities and Stockholders' Equity	\$ 649,100	\$ 713,404

(Components may not sum to totals due to rounding)

Condensed Consolidated Statements of Income

(amounts in thousands, except share data)

	Three Months Ended	
	August 31,	August 31,
	2025	2024
	(Unauditted)	
Revenue:		
Fees	\$ 923	\$ 737
Equity earnings from limited partnerships and limited liability companies	463	2,556
Unrealized (losses) gains from investments	(7,484)	16,399
Other	1,153	4,457
Total revenue before unrealized (losses) gains from equity securities and digital assets	(4,945)	24,150
Unrealized (losses) gains from equity securities	(58,061)	88,435
Unrealized gains from digital assets	694	(1,422)
Total Revenue	(62,313)	111,163
Total Expenses	372	418
(Loss) Income from Operations before Provision for Income Taxes	(62,684)	110,744
(Benefit from) Provision for Income Taxes	(1,764)	10,489
Net (Loss) Income	(60,921)	100,255
Less net (loss) income attributable to noncontrolling interests	(45,063)	65,769
Net (Loss) Income Attributable to FRMO Corporation	\$ (15,858)	\$ 34,487
Diluted (Loss) Net Income per Common Share	\$ (0.36)	\$ 0.78
Weighted Average Common Shares Outstanding		
Basic	44,022,781	44,022,781
Diluted	44,022,781	44,027,112

(Components may not sum to totals due to rounding)

About FRMO Corp.

FRMO Corp. invests in and receives revenues based upon consulting and advisory fee interests in the asset management sector.

FRMO had 44,022,781 shares of common stock outstanding as of August 31, 2025.

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.otcmartets.com/stock/FRMO/filings.

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Information Regarding Non-GAAP Measures

Net income or loss attributable to the Company excluding the effect of unrealized gain or loss from equity securities and digital assets is net income or loss attributable to the Company exclusive of unrealized gains or losses from equity securities and digital assets, net of tax. Net income or loss attributable to the Company is the GAAP measure most closely comparable to net income attributable to the Company excluding the effect of unrealized gain or loss from equity securities and digital assets.

Management uses net income or loss attributable to the Company excluding the effect of unrealized gain or loss from equity securities and digital assets, along with other measures, to gauge the Company's performance and evaluate results, which can be skewed when including unrealized gain or loss from equity securities and digital assets, which may vary significantly between periods. Net income or loss attributable to the Company excluding the effect of unrealized gain or loss from equity securities is provided as supplemental information, and is not a substitute for net income or loss attributable to the Company and does not reflect the Company's overall profitability.

The following table reconciles the net income or loss attributable to the Company excluding the effect of unrealized gain or loss from equity securities and digital assets to net income or loss attributable to the Company for the periods indicated:

	<u>Three Months Ended</u> <u>August 31, 2025</u> (Unaudited)		<u>Three Months Ended</u> <u>August 31, 2024</u> (Unaudited)	
	Amount	Diluted loss per common share	Amount	Diluted earnings per common share
(000's except per common share amounts and percentages)				
Net (Loss) Income Attributable to the Company Excluding the Effect of Unrealized (Loss) Gain from Equity Securities and Digital Assets, and Diluted (Loss) Earnings per Common Share Reconciliation:				
Net (loss) income attributable to the Company	\$ (15,858)	\$ (0.36)	\$ 34,487	\$ 0.78
Unrealized (loss) gain from equity securities and digital assets	(57,367)		87,013	
Unrealized (loss) gain from equity securities and digital assets attributable to noncontrolling interests	(45,584)		62,929	
Unrealized (loss) gain from equity securities and digital assets attributable to the Company	(11,783)		24,084	
Tax (provision) on unrealized (loss) gain from equity securities and digital assets attributable to the company	(190)		(1,177)	
Unrealized (loss) gain from equity securities and digital assets attributable to the Company, net of taxes	(11,973)	\$ (0.27)	22,907	\$ 0.52
Net (loss) income attributable to the Company excluding the effect of unrealized (loss) gain from equity securities and digital assets	\$ (3,885)	\$ (0.09)	\$ 11,579	\$ 0.26
Weighted average diluted shares outstanding	44,022,781		44,027,112	

(Components may not sum to totals due to rounding)