Disclosure Statement Pursuant to the OTCID Basic Disclosure Guidelines

FRMO CORP.

A Delaware Corporation

Principal Executive Offices and Principal Place of Business:
1270 Avenue of the Americas, 27th Floor
New York, NY 10020

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

Quarterly Report

For the period ended September 30, 2026 (the "Reporting Period")

Outstanding Shares
The number of shares outstanding of our Common Stock was:

44,022,781 as of September 30, 2026 [Current Reporting Period],

44,022,781 as of May 31, 2026 [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 Control[1] 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. 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.

On July 10, 2026, the Company's Board of Directors approved a change in FRMO's fiscal year end from May 31 to June 30. As a result of the change in fiscal year, there was a one month transition period (the "Transition Period") beginning on June 1, 2026, and ending on June 30, 2026. This quarterly report includes both the one-month Transition Period and the first fiscal quarter for the three months ended September 30, 2026, as well as comparable periods from the prior year.

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:

1270 Avenue of the Americas, 27th Floor
New York, NY 10020

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

1270 Avenue of the Americas, 27th Floor
New York, NY 10020

☒ *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: September 30, 2026
Total shares outstanding:	44,022,781	as of date: September 30, 2026
Number of shares in the Public Float:	16,410,838	as of date: September 30, 2026
Total number of shareholders of record:	48	as of date: September 30, 2026

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: September 30, 2026
Total shares outstanding:	None	as of date: September 30, 2026
Total number of shareholders of record:	None	as of date: September 30, 2026

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, 2025 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 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 of $8.55 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 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 Herbert 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,	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,

		exercise price of $8.70 per share							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: September 30, 2026 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.otcmarkets.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"). The Company holds an 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. 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 12 – Variable Interest Entities). The noncontrolling interest in HKHA has been eliminated from results of operations for all periods presented. Total stockholders' equity includes, as a separate item, the amount attributable to the noncontrolling interests.

D. Investment Concentration

The following are the approximate amounts (in thousands) 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 September 30, June 30, and May 31, 2026.

	September 30, 2026		June 30, 2026		May 31, 2026	
Investment	Amount	Percent of Equity	Amount	Percent of Equity	Amount	Percent of Equity
Investment A	$ 193,334	64.1%	$ 259,219	76.8%	$ 231,283	69.9%
Investment B	$ 48,488	16.1%	$ 30,516	9.0%	$ 37,375	11.3%

The following are the approximate amounts (in thousands) 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 September 30, June 30, and May 31, 2026.

	September 30, 2026		June 30, 2026		May 31, 2026	
Investment	Amount	Percent of Investments	Amount	Percent of Investments	Amount	Percent of Investments
Investment A						
Equity securities	$ 347,365	96.0%	$ 466,521	97.0%	$ 418,935	96.5%
Investments in limited partnerships and other equity investments	$ 92,753	50.3%	$ 124,166	61.7%	$ 110,020	53.8%
Investment B						
Investments in limited partnerships and other equity investments	$ 47,888	26.0%	$ 30,108	15.0%	$ 36,864	18.0%

The following are the approximate amounts (in thousands) of investments included in the Company's unrealized gain (loss) from equity securities amounting to greater than 10% of unrealized gain (loss) from equity securities. None of the Company's other investments were greater than 10% of unrealized gain (loss) from equity securities for the three months ended September 30, 2026 and 2025 and the Month Ended June 30, 2026 and 2025.

	Three Months Ended September 30,				Month Ended June 30,			
	2026		2025		2026		2025	
Investment	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains
Investment A	$ (119,161)	99.3%	$ (43,617)	118.2%	$ 47,586	109.3%	$ (20,479)	102.8%

5) Issuer's Facilities

Company leases fully furnished office space from Horizon Kinetics Holding Corporation at 1270 Avenue of the Americas, 27th Floor, New York, NY, 10020. The lease term is one year renewable for consecutive one-year periods until terminated.

6) Officers, Directors, and Control Persons

Name of Beneficial Officer	Shares Beneficially Owned or Controlled	Approximate Percentage of Shares Outstanding
Steven Bregman	6,398,956	14.5%
John C. Meditz	5,124,851	11.6%
Thomas C. Ewing	4,539,048	10.3%
Peter B. Doyle	4,196,140	9.5%
Lawrence J. Goldstein	1,865,632	4.2%
Santa Monica Partners, L.P.[1]	1,012,757	2.3%
Jay P. Hirschson	3,110	*
Alice C. Brennan	6,500	*
R. Rimmy Malhotra	6,150	*
Melinda J. Newman	-	*
Jay Kesslen	12,243	*
Therese Byars	50,640	*
David Arndt	375	*
Directors and executive officers as a group	23,216,402	52.7%
* Less than 1%		
Estate of Murray Stahl[2]	7,166,528	16.3%

(1) Controlled by Mr. Goldstein

(2) Murray Stahl, who previously served as the Company's Chief Executive Officer, passed away on April 7, 2026.

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:	(914) 646-8035
Email:	msimkin@securitiesregslawyer.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:	David Arndt
Title:	Chief Financial Officer
Relationship to Issuer:	Officer

Describe the qualifications of the person or persons who prepared the financial statements:[1] Certified Public Accountant, has prepared SEC filings for public companies and OTC filers for over 15 years.

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

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

[1]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.

D. Management's discussion and analysis or plan of operation:

The following Management’s Discussion and Analysis of Financial Condition and Results of Operations (this ”MD&A”) should be read in conjunction with our Consolidated Financial Statements and the related notes (the ”Notes”) and other financial information included elsewhere in this Disclosure Statement and with our audited financial statements for the fiscal years ended May 31, 2026 and 2025.

This MD&A contains statements of management’s beliefs, expectations and assumptions regarding our future business, and any statements other than statements of historical fact are ”forward-looking statements” within the meaning of the Private Securities Litigation Reform Act (“PSLRA”), which are made in reliance of the safe harbor provisions of Section 27A of the Securities Act, Section 21E of the Exchange Act, and the PSLRA. Such statements express management’s beliefs, opinions, projections and expectations regarding future events and circumstances, based on information available to management as of the date of this Disclosure Statement, and are subject to risks and uncertainties, and our actual results could differ materially from those discussed in these forward-looking statements. Further, these forward-looking statements should not be construed either as assurances of performance or as promises of a given course of action. You should review the following section of this Disclosure Statement entitled ”Cautionary Note Regarding Forward-Looking Statements” for a discussion of factors that could cause actual results to differ materially – and potentially adversely –from the results described in or implied by the forward-looking statements contained in the following MD&A and elsewhere in this Disclosure Statement.

Cautionary note regarding forward-looking statements

This Disclosure Statement contains forward-looking statements that involve risks and uncertainties, as well as assumptions that may not materialize or prove to be correct, which could cause our results to differ materially from those expressed in or implied by such forward-looking statements. All statements other than statements of historical fact, including those set forth under "Management’s discussion and analysis or plan of operation” are statements that could be deemed forward-looking statements, including, but not limited to, statements concerning: our plans, strategies and objectives for future operations; new equipment, systems, technologies, services or developments; future economic conditions, performance or outlook; future political conditions; the outcome of contingencies; potential acquisitions or divestitures; the value of our investments; expected cash flows or capital expenditures; our beliefs or expectations; activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future; and assumptions underlying any of the foregoing. Forward-looking statements may be identified by their use of forward looking terminology, such as “believes,” “expects,” “may,” “should,” “would,” “will,” “intends,” “plans,” “estimates,” “anticipates,” “projects” and similar words or expressions. You should not place undue reliance on these forward-looking statements, which reflect our management’s opinions only as of the date of filing and are not guarantees of future performance or actual results.

Business Overview

FRMO Corporation (“FRMO”) 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 Company maintains its corporate office in New York, New York.

Results of operations for the three months ended September 30, 2026 as compared to the three months ended September 30, 2025

Revenues

Revenues of the Company are primarily comprised of consulting and advisory fees, substantially all of which are earned from a royalty participation with Horizon Kinetics Holding Corporation. The Company's consulting and advisory fees were $0.8 million during the three months ended September 30, 2026, a decrease of $0.1 million, or 12% from the three months ended September 30, 2025. During the quarter ended September 30, 2026, HKHC recognized fewer management and advisory fees compared to the same period in the prior year.

Operating expenses

General and administrative

General and administrative expenses were $0.35 million during the three months ended September 30, 2026, a slight decrease of 6.7% from same period in the prior year, driven by lower costs from cryptocurrency mining operations and other corporate expenses, and offset by increases in professional fees related to accounting services.

Depreciation

There was no depreciation expense during the quarter ended September 30, 2026 due to digital mining assets becoming fully depreciated over the prior year. The Company plans to maintain and grow its investments in the mining of digital assets through its holdings in WELX and CMSG.

Other income or expense

Dividends and interest income

Dividend and interest income was $1.2 million for the quarter ended September 30, 2026, an increase of $0.1 million compared to the same period in the prior year. This was primarily due to increases in dividends received from certain investments held by the Company.

Net realized gain (loss) on investments

Realized gains and losses on investments are driven by the Company's decisions regarding the timing and selection of investments sold during each period. Accordingly, realized gain or loss may vary significantly from period to period based on portfolio management decisions and prevailing market conditions.

Equity earnings from limited partnerships, limited liability companies, and other equity investments

Equity earnings were $1.9 million for the three months ended September 30, 2026, compared to $0.9 million for the three months ended September 30, 2025. The increase in the current year of $1.0 million reflects increased earnings generated by these investments during the first quarter of the 2027 fiscal year. Equity earnings may fluctuate from period to period based on the performance and investment activity of the underlying equity investments.

Unrealized gain (loss) from investments

Unrealized loss from investments was $27.3 million during the quarter ended September 30, 2026, compared to an unrealized loss from investments of $4.8 million in the same period in the prior year. The loss during the current year was primarily related to the decrease in fair values of certain investments, including HKHC and the NAV of the Company's investments in limited partnerships and other equity instruments. This loss was partially offset by increases in the Company's investments in other equity investments such as WELX and CMSG.

Unrealized gain (loss) from equity securities

Unrealized gain or loss from equity securities was a loss of $120.0 million during the quarter ended September 30, 2026, compared to an unrealized loss of $36.9 million in the first quarter in the prior year. This change was primarily due to the decrease in the fair value of a significant equity security holding during the current year of 26%, compared to a decrease in the fair value of that same security during the same period in the prior year of 12%.

Unrealized (loss) gain from digital assets

The Company presents digital assets at fair value as of the balance sheet date and records the net appreciation or depreciation during the period. During the three months ended September 30, 2026, the Company recorded an unrealized gain of $4.1 million from digital assets, primarily due to the 42% increase in the value of Bitcoin during the three months ended September 30, 2026.

Income tax expense (benefit)

The Company's income tax expense or benefit is driven primarily by deferred income taxes. FRMO recognizes deferred income taxes related to the tax basis differences for certain assets, principally unrealized gains in various investments and digital assets. The Company’s unrealized losses of various investments resulted in the reduction of deferred tax liabilities during the three months ended September 30, 2026.

10) Issuer Certification

Principal Executive Officer:

I, Peter Doyle 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.

November 12, 2026

/s/ Peter Doyle

Principal Executive 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.

November 12, 2026

/s/ Steven Bregman

Principal Financial Officer:

I, David Arndt 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.

November 12, 2026

/s/ David Arndt

FRMO CORPORATION AND SUBSIDIARIES

New York, New York

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2026 and June 30, 2026 and for the Three Months Ended September 30, 2026 and 2025 (Unaudited)

And for the Transition Period as of June 30, 2026 and May 31, 2026 and for the Month Ended June 30, 2026 and 2025 (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 September 30, 2026 and June 30, 2026, and the related condensed consolidated statements of operations, statements of equity, and cash flows for the three-month periods ended September 30, 2026 and 2025 and one-month periods ended June 30, 2026 and 2025, 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.

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
November 12, 2026

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FRMO CORPORATION AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in thousands)

	September 30, 2026 (Unaudited)	June 30, 2026 (Unaudited)	May 31, 2026
Assets			
Current assets:			
Cash and cash equivalents	$ 46,325	$ 47,637	$ 46,967
Accounts receivable (due from related parties)	818	914	599
Other current assets	4	142	143
Total current assets	47,147	48,693	47,709
Digital mining assets, net of accumulated depreciation of $0, $0, and $85 at September 30, June 30, and May 31, 2026, respectively	-	-	13
Equity securities, at fair value	361,822	480,769	433,928
Digital assets, at fair value	13,682	9,521	11,976
Investments in limited partnerships and other equity investments at fair value	184,302	201,164	204,350
Other investments	14,343	13,696	16,976
Investment in Horizon Kinetics Holding Corporation	18,822	27,187	22,162
Horizon Kinetics Holding Corporation royalty participation	10,200	10,200	10,200
Total assets	$ 650,318	$ 791,230	$ 747,314
Liabilities and Stockholders' Equity			
Current liabilities:			
Accounts payable and accrued expenses	$ 953	$ 672	$ 397
Income taxes payable	546	993	822
Securities sold, not yet purchased	557	678	705
Total current liabilities	2,056	2,343	1,924
Deferred tax liability	81,709	101,121	98,179
Total liabilities	83,765	103,464	100,103
Commitments and contingencies (Note 11)			
Stockholders' equity			
Redeemable preferred stock - $0.001 par value; authorized 2,000 shares; no shares outstanding	-	-	-
Common stock - $0.001 par value, authorized 90,000 shares; issued and outstanding 44,023 shares at September 30, June 30, and May 31, 2026, respectively	44	44	44
Additional paid-in capital	45,527	45,501	45,492
Retained earnings	256,093	291,842	285,441
Stockholders' equity attributable to the Company	301,664	337,387	330,977
Noncontrolling interests	264,889	350,379	316,234
Total stockholders' equity	566,553	687,766	647,211
Total liabilities and stockholders' equity	$ 650,318	$ 791,230	$ 747,314

See notes to interim condensed consolidated financial statements.

FRMO CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Operations (Unaudited)
(in thousands, except per share data)

	Three Months Ended September 30,		Month Ended June 30,	
	2026	2025	2026	2025
Revenue:				
Consulting and advisory fees and other income	$ 802	$ 907	$ 270	$ 324
Total revenue	802	907	270	324
Operating expenses:				
General and administrative expenses	347	372	212	143
Depreciation	-	14	13	5
Total operating expenses	347	386	225	148
Other income (expense)				
Dividends and interest income, net	1,230	1,103	901	745
Net realized gain (loss) from investments	(10)	46	(5)	(3)
Equity earnings from limited partnerships, limited liability companies, and other equity investments	1,875	918	303	163
Unrealized gain (loss) from investments	(27,296)	(4,804)	1,542	(547)
Unrealized gain (loss) from equity securities	(119,953)	(36,906)	43,518	(19,925)
Unrealized gain (loss) from digital assets	4,159	1,206	(2,455)	403
Total other income (expense), net	(139,995)	(38,437)	43,804	(19,164)
Income (loss) from operations before provision for income taxes	(139,540)	(37,916)	43,849	(18,988)
Income tax (expense) benefit	18,849	2,675	(3,112)	1,694
Net income (loss)	(120,691)	(35,241)	40,737	(17,294)
Less: net (income) loss attributable to noncontrolling interests	84,942	30,271	(34,336)	16,452
Net income (loss) attributable to the Company	$ (35,749)	$ (4,970)	$ 6,401	$ (842)
Net income (loss) per common share				
Basic	$ (0.81)	$ (0.11)	$ 0.15	$ (0.02)
Diluted	$ (0.81)	$ (0.11)	$ 0.15	$ (0.02)
Weighted average shares outstanding				
Basic	44,023	44,023	44,023	44,023
Diluted	44,023	44,023	44,024	44,023

See notes to interim condensed consolidated financial statements.

FRMO CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Stockholders' Equity (Unaudited)
(in thousands)

	Common Stock						
	Shares	Amount	Additional Paid-In Capital	Retained Earnings	Stockholders' Equity Attributable to the Company	Non-Controlling Interests	Total Stockholders' Equity
Balance - May 31, 2025	44,023	$ 44	$ 45,350	$ 282,505	$ 327,899	$ 298,205	$ 626,104
Non-cash compensation	-	-	9	-	9	-	9
Net income (loss)	-	-	-	(842)	(842)	(16,452)	(17,294)
Capital contributions to (distributions from) consolidated subsidiary from noncontrolling interests	-	-	-	-	-	(19)	(19)
Balance - June 30, 2025	44,023	$ 44	$ 45,359	$ 281,663	$ 327,066	$ 281,734	$ 608,800
Non-cash compensation	-	-	26	-	26	-	26
Net income (loss)	-	-	-	(4,970)	(4,970)	(30,271)	(35,241)
Capital contributions to (distributions from) consolidated subsidiary from noncontrolling interests	-	-	-	-	-	182	182
Balance - September 30, 2025	44,023	$ 44	$ 45,385	$ 276,693	$ 322,122	$ 251,645	$ 573,767
Balance - May 31, 2026	44,023	$ 44	$ 45,492	$ 285,441	$ 330,977	$ 316,234	$ 647,211
Non-cash compensation	-	-	9	-	9	-	9
Net income (loss)	-	-	-	6,401	6,401	34,336	40,737
Capital contributions to (distributions from) consolidated subsidiary from noncontrolling interests	-	-	-	-	-	(191)	(191)
Balance - June 30, 2026	44,023	$ 44	$ 45,501	$ 291,842	$ 337,387	$ 350,379	$ 687,766
Non-cash compensation	-	-	26	-	26	-	26
Net income (loss)	-	-	-	(35,749)	(35,749)	(84,942)	(120,691)
Capital contributions to (distributions from) consolidated subsidiary from noncontrolling interests	-	-	-	-	-	(548)	(548)
Balance - September 30, 2026	44,023	$ 44	$ 45,527	$ 256,093	$ 301,664	$ 264,889	$ 566,553

See notes to interim condensed consolidated financial statements.

FRMO CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows (Unaudited)
(in thousands)

	Three Months Ended September 30,		Month Ended June 30,	
	2026	2025	2026	2025
Cash flows from operating activities:				
Net income (loss)	$ (120,691)	$ (35,241)	$ 40,737	$ (17,294)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Non-cash compensation	26	26	9	9
Net realized (gain) loss from investments	10	(46)	5	3
Equity earnings from limited partnerships, limited liability companies, and other equity investments	(1,875)	(918)	(303)	(163)
Unrealized (gain) loss from investments	27,296	4,804	(1,542)	547
Unrealized (gain) loss from equity securities	119,953	36,906	(43,518)	19,925
Unrealized (gain) loss from digital assets	(4,159)	(1,206)	2,455	(403)
Digital asset mining	(3)	(24)	(1)	(8)
Depreciation	-	14	13	5
Deferred income tax expense (benefit)	(19,412)	(3,294)	2,942	(1,985)
Changes in operating assets and liabilities				
Accounts receivable	35	16	(252)	(331)
Prepaid income taxes and other current assets	-	(330)	-	299
Accounts payable and accrued expenses	(110)	40	87	118
Income taxes payable	(447)	-	171	-
Total adjustments to net income (loss)	121,314	35,988	(39,934)	18,016
Net cash provided by (used in) operating activities	623	747	803	722
Cash flows from investing activities:				
Proceeds from sale of investments	679	1,279	296	365
Purchases of investments	(2,455)	(1,010)	(347)	(306)
Proceeds from sale of digital mining assets	1	4	1	1
Proceeds from securities sold, not yet purchased	-	47	-	15
Purchases to cover securities previously sold	-	(1)	-	(1)
Distributions from limited partnerships	62	-	-	-
Other investments	(67)	(739)	(88)	(168)
Net cash flows provided by (used in) investing activities	(1,780)	(420)	(138)	(94)
Cash flows from financing activities:				
Principal payments on mortgage payable	-	(6)	-	(2)
Proceeds from issuance of other consolidated subsidiary equity	-	15	5	5
Distributions to members of consolidated limited liability company	(155)	(86)	-	(78)
Net cash flows provided by (used in) financing activities	(155)	(77)	5	(75)
Net increase (decrease) in cash and cash equivalents	(1,312)	250	670	553
Cash and cash equivalents, beginning of period	47,637	44,417	46,967	43,864
Cash and cash equivalents, end of period	$ 46,325	$ 44,667	$ 47,637	$ 44,417
Supplemental disclosure of cash flow information:				
Cash paid during the period for income taxes	$ 1,010	$ 950	$ -	$ -
Cash paid during the period for interest	$ 11	$ 25	$ 5	$ 15
Supplemental disclosure of non-cash financing activities:				
Contributions from (distributions to) investments to members of consolidated limited liability company, net	$ (548)	$ 253	$ (196)	$ 54

See notes to interim condensed consolidated financial statements

Note 1. Nature of Business and Basis of Presentation

Nature of Business

FRMO Corporation ("FRMO") 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"). The Company holds an 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 consulting and advisory fees from HKHC. 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 12 – Variable Interest Entities). The noncontrolling interest in HKHA has been eliminated from results of operations for all periods presented. Total stockholders' equity includes, as a separate item, the amount attributable to the noncontrolling interests. The Company's ownership in HKHA and the noncontrolling interest in HKHA as of and for the periods ended September 30, June 30, and May 31 is as follows:

	Equity Interest in HKHA	Noncontrolling Interest in HKHA
September 30, 2026	21.78%	78.22%
June 30, 2026	21.78%	78.22%
May 31, 2026	21.78%	78.22%
September 30, 2025	21.79%	78.21%
June 30, 2025	21.82%	78.18%

Basis of Presentation

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, 2026 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 ended September 30, 2026 and the Transition Period may not be indicative of the results that may be expected for the year ending June 30, 2027.

On July 10, 2026, the Company's Board of Directors approved a change in FRMO's fiscal year end from May 31 to June 30. As a result of the change in fiscal year, there was a one month transition period (the "Transition Period") beginning on June 1, 2026, and ending on June 30, 2026. This quarterly report includes both the one-month Transition Period and the first fiscal quarter for the three months ended September 30, 2026, as well as comparable periods from the prior year.

Note 2. Summary of Significant Accounting Policies

Reclassifications

The Company has reclassified certain prior period amounts to conform to the current year presentation, including the reclassification of certain assets in footnote disclosures that conform to the presentation on the condensed consolidated balance sheets.

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.

Subsequent Events

The Company has evaluated all subsequent events from the date of the interim condensed consolidated balance sheets through November 12, 2026, which represents the date these interim condensed consolidated financial statements are available to be issued.

Note 3. Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements

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.

In September 2026, the FASB issued ASU 2026-03, Fair Value Measurement (Topic 820): Investment Companies with Equity Securities Subject to Contractual Sale Restrictions ("ASU 2026-03"). ASU 2026-03 requires investment companies within the scope of ASC Topic 946 to consider the effects of contractual sale restrictions when measuring the fair value of equity securities, including applying discounts attributable to such restrictions and providing related disclosures. ASU 2026-03 is effective for annual periods beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. We are currently evaluating the potential impact of adopting this standard on our disclosures.

Note 4. Investments

Limited Partnerships and Equity Investments

The Company's investments in limited partnerships and equity investments consist of the following as of September 30, June 30, and May 31, 2026, respectively:

	September 30, 2026		
	Cost or (Proceeds)	Net Unrealized Gains	Fair Value
Equity securities	$ 97,115	$ 264,707	$ 361,822
Investments in limited partnerships and other equity investments:			
Investments in limited partnerships:			
South LaSalle Partners, LP	$ 5,496	$ 15,323	$ 20,819
Horizon Multi-Strategy Fund, LP	25,904	45,495	71,399
CDK Partners, LP	2,007	9,622	11,629
Polestar Fund, LP	18,732	51,651	70,383
Multi-Disciplinary Fund, LP	682	584	1,266
Kinetics Institutional Partners, LP	10	45	55
Other	44	1,023	1,067
Total investments in limited partnerships	52,875	123,743	176,618
Investment in Winland Holdings Corporation	4,970	2,714	7,684
Total investments in limited partnerships and other equity investments	$ 57,845	$ 126,457	$ 184,302
Securities sold, not yet purchased (liability)	$ (10,960)	$ 10,403	$ (557)

	June 30, 2026		
	Cost or (Proceeds)	Net Unrealized Gains	Fair Value
Equity securities	$ 97,180	$ 383,589	$ 480,769
Investments in limited partnerships and other equity investments:			
Investments in limited partnerships:			
South LaSalle Partners, LP	$ 5,505	$ 17,444	$ 22,949
Horizon Multi-Strategy Fund, LP	24,225	50,399	74,624
CDK Partners, LP	2,010	10,254	12,264
Polestar Fund, LP	18,384	65,180	83,564
Multi-Disciplinary Fund, LP	680	648	1,328
Kinetics Institutional Partners, LP	10	54	64
Other	47	1,075	1,122
Total investments in limited partnerships	50,861	145,054	195,915
Investment in Winland Holdings Corporation	4,903	346	5,249
Total investments in limited partnerships and other equity investments	$ 55,764	$ 145,400	$ 201,164
Securities sold, not yet purchased (liability)	$ (10,961)	$ 10,283	$ (678)

	May 31, 2026		
	Cost or (Proceeds)	Net Unrealized Gains	Fair Value
Equity securities	$ 97,131	$ 336,797	$ 433,928
Investments in limited partnerships and other equity investments:			
Investments in limited partnerships:			
South LaSalle Partners, LP	$ 5,508	$ 23,593	$ 29,101
Horizon Multi-Strategy Fund, LP	24,160	50,911	75,071
CDK Partners, LP	2,001	10,299	12,300
Polestar Fund, LP	18,155	61,057	79,212
Multi-Disciplinary Fund, LP	679	659	1,338
Kinetics Institutional Partners, LP	10	51	61
Shepherd I, LP	20	42	62
Other	46	1,067	1,113
Total investments in limited partnerships	50,579	147,679	198,258
Investment in Winland Holdings Corporation	4,867	1,225	6,092
Total investments in limited partnerships and other equity investments	$ 55,446	$ 148,904	$ 204,350
Securities sold, not yet purchased (liability)	$ (10,961)	$ 10,256	$ (705)

Other Investments

The following are the Company's other investments as of September 30, June 30, and May 31, 2026, respectively:

	September 30, 2026	June 30, 2026	May 31, 2026
Miami International Holdings, Inc., at fair value	$ 10,944	$ 12,141	$ 15,436
Consensus Mining & Seigniorage Corporation, at fair value	1,187	1,109	1,094
CNSX Markets, Inc., at cost	243	243	243
Digital Currency Group, Inc., at cost	76	76	76
Other investments, at cost	1,893	127	127
Total other investments	$ 14,343	$ 13,696	$ 16,976

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 September 30, June 30, or May 31, 2026.

	September 30, 2026		June 30, 2026		May 31, 2026	
Investment	Amount	Percent of Equity	Amount	Percent of Equity	Amount	Percent of Equity
Investment A	$ 193,334	64.1%	$ 259,219	76.8%	$ 231,283	69.9%
Investment B	$ 48,488	16.1%	$ 30,516	9.0%	$ 37,375	11.3%

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 September 30, June 30, or May 31, 2026.

Investment	September 30, 2026 Amount	September 30, 2026 Percent of Investments	June 30, 2026 Amount	June 30, 2026 Percent of Investments	May 31, 2026 Amount	May 31, 2026 Percent of Investments
Investment A						
Equity securities	$347,365	96.0%	$466,521	97.0%	$418,935	96.5%
Investments in limited partnerships and other equity investments	$92,753	50.3%	$124,166	61.7%	$110,020	53.8%
Investment B						
Investments in limited partnerships and other equity investments	$47,888	26.0%	$30,108	15.0%	$36,864	18.0%

The following are the approximate amounts of investments included in the Company's unrealized gain or loss from equity securities amounting to greater than 10% of unrealized gain or loss from equity securities. None of the Company's other investments were greater than 10% of unrealized gain or loss from equity securities for the three months ended September 30, 2026 and 2025 or the month ended June 30, 2026 and 2025.

	Three Months Ended September 30,				Month Ended June 30,			
	2026		2025		2026		2025	
Investment	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains	Amount	Percent of Unrealized Gains
Investment A	$ (119,161)	99.3%	$ (43,617)	118.2%	$ 47,586	109.3%	$ (20,479)	102.8%

Note 5. Digital Assets

The Company's holdings in digital assets consist of the following as of September 30, June 30, and May 31, 2026:

	September 30, 2026			
	Units	Cost	Net Unrealized Gain (Loss)	Fair Value
Bitcoin	159.5	$ 4,031	$ 9,298	$ 13,329
Other digital assets		306	47	353
Total		$ 4,337	$ 9,345	$ 13,682

	June 30, 2026			
	Units	Cost	Net Unrealized Gain (Loss)	Fair Value
Bitcoin	159.5	$ 4,030	$ 5,304	$ 9,334
Other digital assets		306	(119)	187
Total		$ 4,336	$ 5,185	$ 9,521

	May 31, 2026			
	Units	Cost	Net Unrealized Gain (Loss)	Fair Value
Bitcoin	159.3	$ 4,029	$ 7,705	$ 11,734
Other digital assets		307	(65)	242
Total		$ 4,336	$ 7,640	$ 11,976

Note 6. Fair Value Measurements

In accordance with ASC Subtopic 820-10, certain investments that are measured at fair value using the net asset value ("NAV") 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 and HKHC.

The Company values certain of its financial assets and liabilities based on 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. Accounting guidance emphasizes that fair value is a market-based measurement that should be determined based on the assumptions market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, accounting guidance establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) the reporting entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). Valuation techniques used to measure fair value shall maximize the use of observable inputs and minimize the use of unobservable inputs.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels, as follows:

Level 1	Unadjusted quoted prices in active markets for identical instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these investments does not entail a significant degree of judgment.
Level 2	Valuations based on quoted prices for similar or identical instruments in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
Level 3	Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The following tables present information about the Company’s assets and liabilities that are measured at fair value on a recurring basis as of September 30, June 30, and May 31, 2026, respectively, and indicates the fair value hierarchy the Company utilized to determine such fair values.

	September 30, 2026				
	Total	Level 1	Level 2	Level 3	NAV as a practical expedient
Money market cash equivalents	$ 44,969	$ 44,969	$ -	$ -	$ -
Investments:					
Equity securities	$ 361,822	$ 361,822	$ -	$ -	$ -
Digital assets	13,682	13,682	-	-	-
Investment in HKHC	18,822	18,822	-	-	-
Miami International Holdings, Inc.	10,944	10,944	-	-	-
Consensus Mining & Seigniorage Corporation	1,187	1,187	-	-	-
Limited partnerships and other equity investments	184,302	7,684	-	-	176,618
Total investments	$ 590,759	$ 414,141	$ -	$ -	$ 176,618
Liabilities:					
Securities sold, not yet purchased	$ 557	$ 557	$ -	$ -	$ -
Total liabilities	$ 557	$ 557	$ -	$ -	$ -

	June 30, 2026				
	Total	Level 1	Level 2	Level 3	NAV as a practical expedient
Money market cash equivalents	$ 45,795	$ 45,795	$ -	$ -	$ -
Investments:					
Equity securities	$ 480,769	$ 480,769	$ -	$ -	$ -
Digital assets	9,521	9,521	-	-	-
Investment in HKHC	27,187	27,187	-	-	-
Miami International Holdings, Inc.	12,141	12,141	-	-	-
Consensus Mining & Seigniorage Corporation	1,109	1,109	-	-	-
Limited partnerships and other equity investments	201,164	5,249	-	-	195,915
Total investments	$ 731,891	$ 535,976	$ -	$ -	$ 195,915
Liabilities:					
Securities sold, not yet purchased	$ 678	$ 678	$ -	$ -	$ -
Total liabilities	$ 678	$ 678	$ -	$ -	$ -

	May 31, 2026				
	Total	Level 1	Level 2	Level 3	NAV as a practical expedient
Money market cash equivalents	$ 45,111	$ 45,111	$ -	$ -	$ -
Investments:					
Equity securities	$ 433,928	$ 433,928	$ -	$ -	$ -
Digital assets	11,976	11,976	-	-	-
Investment in HKHC	22,162	22,162	-	-	-
Miami International Holdings, Inc.	15,436	15,436	-	-	-
Consensus Mining & Seigniorage Corporation	1,094	1,094	-	-	-
Limited partnerships and other equity investments	204,350	6,092	-	-	198,258
Total investments	$ 688,946	$ 490,688	$ -	$ -	$ 198,258
Liabilities:					
Securities sold, not yet purchased	$ 705	$ 705	$ -	$ -	$ -
Total liabilities	$ 705	$ 705	$ -	$ -	$ -

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 Equity 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.

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.

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

	Three Months Ended September 30,		Month Ended June 30,	
	2026	2025	2026	2025
Current:				
Federal	$ 274	$ 302	$ 67	$ 126
State and city	289	317	103	165
Total current	563	619	170	291
Deferred:				
Federal	(10,130)	(1,750)	1,535	(1,056)
State and city	(9,282)	(1,544)	1,407	(929)
Total deferred	(19,412)	(3,294)	2,942	(1,985)
Total provision (benefit) for income taxes:				
Federal	(9,856)	(1,448)	1,602	(930)
State and city	(8,993)	(1,227)	1,510	(764)
Total provision (benefit) for income taxes	$ (18,849)	$ (2,675)	$ 3,112	$ (1,694)

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 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 September 30, June 30, and May 31, 2026, respectively:

	September 30, 2026	June 30, 2026	May 31, 2026
Unrealized gain from equity securities, digital assets, and investments in managed funds	$ 77,223	$ 93,813	$ 92,569
Deferral of gain from like-kind exchange	3,393	3,393	3,393
Investments in unconsolidated limited liability companies	1,093	3,915	2,219
Investments in limited partnerships	-	-	(2)
Net deferred tax liability	$ 81,709	$ 101,121	$ 98,179

The Company's effective income tax rate is dependent on many factors, including the realization of investment income from equity securities, digital assets, and investments in limited partnerships and other equity investments. Additionally, the Company's effective tax rate is influenced by the estimated nature and amounts of income and expenses allocated to non-controlling interests without being subject to federal, state and local income taxes at the corporate level, and other state apportionment factors. The Company records its interim income tax provision utilizing the estimated annual effective tax rate and estimated amounts related to the value of deferred taxes, which can be impacted by state apportionment factors.

The Company files its tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examinations by federal, state, and local tax authorities. Although the outcome of tax audits is always uncertain, the Company does not believe the outcome of any future audit will have a material adverse effect on the Company's condensed consolidated financial statements.

Note 8. Related Party Transactions

As of September 30, June 30, and May 31, 2026, respectively, amounts due to or due from the Company with related party affiliates are summarized as follows:

	September 30, 2026		June 30, 2026		May 31, 2026	
	Receivable	Payable	Receivable	Payable	Receivable	Payable
HKHC	$ 818	$ 105	$ 914	$ 155	$ 599	$ 106

For the three months ended September 30, 2026 and 2025, respectively, and for the month ended June 30, 2026 and 2025, respectively, amounts recognized from related party affiliates are summarized as follows:

	Three Months Ended September 30,				Month Ended June 30,			
	2026		2025		2026		2025	
	Revenues	Expenses	Revenues	Expenses	Revenues	Expenses	Revenues	Expenses
HKHC	$ 799	$ 156	$ 849	$ 8	$ 269	$ 52	$ 305	$ -

The Company earns substantially all of its consulting and advisory fees from HKHC. The Company also incurs expenses related to management services provided by HKHC, which are included in accounts payable in the condensed consolidated balance sheets, and general and administrative expenses in the condensed consolidated statements of operations.

Note 9. Earnings per Share

Basic earnings (loss) per common share is computed by dividing net income (loss) attributable to the Company by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per common share is computed in the same way, using weighted average common shares adjusted for the dilutive effect of potential common shares. The Company's potential common shares consist of stock options, and their dilutive effect is determined using the treasury stock method, under which options are assumed to be exercised only when the average market price of the Company's common stock for the period exceeds the exercise price. Potential common shares are excluded from diluted earnings (loss) per share when their inclusion would be antidilutive, meaning it would increase earnings per share or decrease loss per share, which occurs when the Company reports a net loss. All potential common shares are therefore excluded for any periods in which the Company reported a net loss.

Potential common shares consist of unexercised stock options of 74 and 73 for the three months ended September 30, 2026 and 2025, respectively, and 74 and 73 for the month ended June 30, 2026 and 2025, respectively.

As of September 30, June 30, and May 31, 2026, there were 58, 58, and 46 vested options, respectively, with an exercise price below the weighted average market price of the Company's common stock during the period.

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 ended September 30, 2026 and 2025, respectively, and the month ended June 30, 2026 and 2025, respectively:

	Three Months Ended September 30,		Month Ended June 30,	
	2026	2025	2026	2025
Weighted average common shares outstanding	44,023	44,023	44,023	44,023
Effect of dilutive securities, common share equivalents:				
Exercise of stock options	-	-	1	-
Dilutive potential common share equivalents	44,023	44,023	44,024	44,023

Note 10. Stockholders' Equity

Redeemable Preferred Stock

The number of authorized Series R preferred shares is 2,000 with a par value of $0.001 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 September 30, 2026, June 30, 2026 and May 31, 2026.

Stock Options

A summary of option activity as of and for the three months ended September 30, 2026 and month ended June 30, 2026 is as follows:

	Number of Shares	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at May 31, 2026	74	$ 8.21	3.56	$ 10
Granted	-	$ -	-	
Exercised	-	$ -	-	
Expired	-	$ -	-	
Outstanding at June 30, 2026	74	$ 8.21	3.48	$ 11
Granted	-	$ -	-	
Exercised	-	$ -	-	
Expired	-	$ -	-	
Outstanding at September 30, 2026	74	$ 8.21	3.23	$ 10
Vested and exercisable at September 30, 2026	74	$ 8.21	3.23	$ 10

All stock options were vested as of September 30, June 30, and May 31, 2026, respectively.

The aggregate intrinsic value of options outstanding and exercisable is the amount by which the closing price of FRMO's common stock at September 30, June 30, and May 31, 2026 of $6.71, $6.75, and $6.69, respectively, exceeded the exercise price of those options with exercise prices below the closing price, measured at each date.

As of September 30, 2026, there was no unrecognized compensation cost related to unvested options.

Note 11. 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 12. 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:

	September 30, 2026	June 30, 2026	May 31, 2026
Assets of variable interest entities:			
Cash and cash equivalents	$ 11,365	$ 12,638	$ 12,059
Equity securities, at fair value	325,713	435,076	391,763
Investments in limited partnerships and other equity investments at fair value	134	92	107
Other investments	2,166	373	359
Total	$ 339,378	$ 448,179	$ 404,288
Liabilities of variable interest entities:			
Accounts payable and accrued expenses	$ 741	$ 251	$ 9
Total	$ 741	$ 251	$ 9

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

	Three Months Ended September 30,		Month Ended June 30,	
	2026	2025	2026	2025
Operating expenses:				
General and administrative expenses	$ 2	$ 10	$ 1	$ 1
Other income (expense)				
Dividends and interest income, net	710	644	624	559
Net realized gains (losses) from investments	-	30	-	-
Unrealized (losses) gains from equity securities	(109,299)	(39,385)	43,272	(18,678)
Total other income (expense), net	(108,589)	(38,711)	43,896	(18,119)
Income (loss) from operations before provision for income taxes	(108,591)	(38,721)	43,895	(18,120)
Income tax (expense) benefit	-	-	-	-
Net income (loss)	$ (108,591)	$ (38,721)	$ 43,895	$ (18,120)