

FRMO Corp. Announces Fiscal 2025 Third Quarter Results and Conference Call

WHITE PLAINS, N.Y. —April 14, 2025

FRMO Corp. (the “Company” or “FRMO”) (OTC Pink: FRMO) reported its financial results for the 2025 third quarter ended February 28, 2025.

Financial Highlights

FRMO’s total book value as of February 28, 2025 was \$751 million. Excluding the non-controlling interests, equity attributable to shareholders was *\$385 million (\$8.74 per share)*. This compares with total book value at the prior fiscal year end on May 31, 2024 of \$403.3 million. Excluding the non-controlling interests, equity attributable to shareholders was *\$242.1 million (\$5.50 per share)*.

Current assets, comprised primarily of cash and equivalents and equity securities, amounted to \$567.2 million as of February 28, 2025, and \$276.1 million as of May 31, 2024. Total liabilities were \$72.6 million as of February 28, 2025, and \$35.9 million as of May 31, 2024, comprised primarily of securities sold, not yet purchased, and deferred taxes.

FRMO’s net (loss) income attributable to the Company for the quarter ended February 28, 2025 \$(28,703,459) (\$0.65) per diluted share) compared to \$12,988,910 (\$0.30 per diluted share) a year earlier. The equity security investment that accounts for the significant net income increase is identified as Investment A in Note 4 of the Interim Condensed Consolidated Financial Statements under Investment Concentration.

For the nine months ended February 28, 2025, FRMO’s net income attributable to the Company was \$142,706,066 (\$3.24 per diluted share), compared to \$50,021,124 million (\$1.14 per diluted share) a year earlier.

Net (loss) income attributable to the Company excluding the effect of unrealized (loss) gain from equity securities and digital assets net of taxes for the three months ended February 28, 2025 was \$(11,199,861) (\$0.25) per diluted share) compared to \$14,653,283 (\$0.33) per diluted share) for the three months ended February 29, 2024. The nine-month figures, as of the same end dates, are \$64,019,546 (\$1.45 per diluted share) and \$36,480,505 (\$0.83 per diluted share).

Net (loss) income attributable to the Company excluding the effect of unrealized (loss) gain 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 February 28, 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 February 28, 2025 and May 31, 2024, the Company held a 21.88% and 21.84% equity interest in Horizon Kinetics Hard Assets LLC (“HKHA”), a company formed by Horizon Kinetics LLC (“Horizon”) and certain officers, principal stockholders and directors of the Company. Through July 31, 2024, the Company held a 4.95% interest in Horizon, and on August 1, 2024, Horizon completed its previously announced merger with Scott’s Liquid Gold Inc., which was renamed Horizon

Kinetics Holding Corporation (“HKHC”). The Company now owns 4.42% of HKHC and earns substantially all of its advisory fees from HKHC and through July 31, 2024 from Horizon (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 78.12 % and 78.21% in HKHA has been eliminated from results of operations for the periods ended February 28, 2025 and February 29, 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 and nine months ended February 28, 2025 and February 29, 2024. These statements have been filed on the OTC Markets Group Disclosure and News Services, which may be accessed at www.otcmarkets.com/stock/FRMO/filings. These documents are also available on the FRMO website at www.frmocorp.com.

Conference Call

Murray Stahl, Chairman and CEO, and Steven Bregman, President and CFO, will host a conference call on Tuesday, April 22, 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 3Q2025 Quarterly Conference Call on Apr 22, 2025 4:15 PM EDT at:

<https://attendee.gotowebinar.com/register/845029008338861656>

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

United States: +1 (562) 247-8422

Access Code: 524-995-845

Audio PIN: Shown after 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)

	February 28, 2025	May 31, 2024
	(Unaudited)	
Assets		
Current Assets:		
Cash and cash equivalents	\$ 43,878	\$ 39,190
Equity securities, at fair value	504,910	221,682
Digital assets, at fair value	13,767	10,979
Other current assets	4,623	4,252
Total Current Assets	<u>567,178</u>	<u>276,102</u>
Investment in limited partnerships and other equity investments, at fair value	217,677	127,579
Investments in securities exchanges	7,502	6,463
Other assets	1,498	1,609
Investment in Horizon Kinetics Holding Corporation (formerly Horizon Kinetics LLC at May 31, 2024)	19,517	17,205
Participation in Horizon Kinetics Holding Corporation (formerly Horizon Kinetics LLC at May 31, 2024) revenue stream	10,200	10,200
Total Assets	<u><u>\$ 823,572</u></u>	<u><u>\$ 439,159</u></u>
Liabilities and Stockholders' Equity		
Current Liabilities:		
Securities sold, not yet purchased	\$ 1,191	\$ 951
Other current liabilities	669	1,258
Total Current Liabilities	<u>1,861</u>	<u>2,209</u>
Deferred Tax Liability	70,129	33,668
Mortgage payable	629	-
Total Liabilities	<u>72,619</u>	<u>35,877</u>
Stockholders' Equity:		
Stockholders' Equity Attributable to the Company	384,975	242,137
Noncontrolling interests	365,979	161,145
Total Stockholders' Equity	<u>750,954</u>	<u>403,282</u>
Total Liabilities and Stockholders' Equity	<u><u>\$ 823,572</u></u>	<u><u>\$ 439,159</u></u>

(Components may not sum to totals due to rounding)

Condensed Consolidated Statements of Income

(amounts in thousands, except share data)

	Three Months Ended		Nine Months Ended	
	February 28, 2025	February 29, 2024	February 28, 2025	February 29, 2024
	(Unaudited)		(Unaudited)	
Revenue:				
Fees	\$ 2,232	\$ 622	\$ 3,849	\$ 2,005
Equity earnings from limited partnerships and limited liability companies	8,188	514	9,277	2,856
Unrealized (losses) gains from investments	(28,546)	16,264	81,849	41,525
Other	1,241	928	6,663	3,082
Total revenue before unrealized (losses) gains from equity securities and digital assets	(16,885)	18,328	101,637	49,469
Unrealized (losses) gains from equity securities	(59,915)	(12,350)	282,913	33,531
Unrealized (losses) gains from digital assets	(1,951)	3,702	2,715	5,271
Total Revenue	(78,751)	9,681	387,266	88,271
Total Expenses	453	461	1,264	1,223
(Loss) Income from Operations before (Benefit from) Provision for Income Taxes	(79,204)	9,219	386,002	87,048
(Benefit from) Provision for Income Taxes	(8,495)	3,743	38,397	13,678
Net (Loss) Income	(70,709)	5,476	347,605	73,369
Less net (loss) income attributable to noncontrolling interests	(42,005)	(7,513)	204,898	23,348
Net (Loss) Income Attributable to FRMO Corporation	\$ (28,703)	\$ 12,989	\$ 142,706	\$ 50,021
Diluted Net (Loss) Income per Common Share	\$ (0.65)	\$ 0.30	\$ 3.24	\$ 1.14
Weighted Average Common Shares Outstanding				
Basic	44,022,781	44,022,781	44,022,781	44,022,781
Diluted	44,022,781	44,025,624	44,030,172	44,026,234

(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 February 28, 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.

Contact

Thérèse Byars

Corporate Secretary

Email: tbyars@frmocorp.com

Telephone: 646-495-7337

www.frmocorp.com

Information Regarding Non-GAAP Measures

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

Management uses net (loss) income attributable to the Company excluding the effect of unrealized (loss) gain 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 (loss) gain from equity securities and digital assets, which may vary significantly between periods. Net (loss) income attributable to the Company excluding the effect of unrealized (loss) gain from equity securities is provided as supplemental information, and is not a substitute for net (loss) income attributable to the Company and does not reflect the Company's overall profitability.

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

	Three Months Ended February 28, 2025 (Unaudited)		Three Months Ended February 29, 2024 (Unaudited)		Nine Months Ended February 28, 2025 (Unaudited)		Nine Months Ended February 29, 2024 (Unaudited)	
	Amount	Diluted loss per common share	Amount	Diluted earnings per common share	Amount	Diluted earnings 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	\$ (28,703)	\$ (0.65)	\$ 12,989	\$ 0.30	\$ 142,706	\$ 3.24	\$ 50,021	\$ 1.14
Unrealized (loss) gain from equity securities and digital assets	(61,866)		(8,648)		285,628		38,802	
Unrealized (loss) gain from equity securities and digital assets attributable to noncontrolling interests	(42,654)		(7,852)		201,024		22,341	
Unrealized (loss) gain from equity securities and digital assets attributable to the Company	(19,212)		(796)		84,604		16,461	
Tax benefit (provision) on unrealized (loss) gain from equity securities and digital assets attributable to the company	1,708		(869)		(5,918)		(2,921)	
Unrealized (loss) gain from equity securities and digital assets attributable to the Company, net of taxes	(17,504)	\$ (0.40)	(1,664)	\$ (0.04)	78,687	\$ 1.79	13,541	\$ 0.31
Net (loss) income attributable to the Company excluding the effect of unrealized (loss) gain from equity securities and digital assets	\$ (11,200)	\$ (0.25)	\$ 14,653	\$ 0.33	\$ 64,020	\$ 1.45	\$ 36,481	\$ 0.83
Weighted average diluted shares outstanding	44,022,781		44,025,624		44,030,172		44,026,234	

(Components may not sum to totals due to rounding)