WINLAND HOLDINGS CORPORATION

A Minnesota Corporation

1961 Premier Drive, Suite 265, Mankato, MN 56001
(507) 625-7231
www.winland.com
investors@winland.com

SIC Code: 3823

Quarterly Report
For the Period Ending: September 30, 2026 (the "Reporting Period")

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

5,082,209 as of September 30, 2026

5,069,258 as of December 31, 2025

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 of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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

Winland Holdings Corporation
(Formerly known as Winland Electronics, Inc. Name change effective January 1, 2018.)

Issuer is a corporation incorporated in the State of Minnesota on October 18, 1972. Current standing: Active.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors: *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: On October 1, 2025, the Company issued 10,593 shares of common stock to FRMO Corporation in exchange for cash of $48,728. On December 8, 2025, the Company issued 16,839 shares of common stock to FRMO Corporation in exchange for cash of $66,344. On February 2, 2026, the Company issued 12,951 shares of common stock to FRMO Corporation in exchange for cash of $46,364.

Issuer's principal executive office and place of business address is: 1961 Premier Drive, Suite 265, Mankato, MN 56001

The address(es) of the issuer's principal place of business:
☒ *Check if principal executive office and principal place of business are the same address*

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

No: ☒ Yes: ☐

2) Security Information

Transfer Agent

Name:	Computershare
Phone:	800-368-5948
Email:	web.queries@computershare.com
Address:	150 Royall Street, Canton, MA 02021

Trading symbol:	WELX	
Exact title and class of securities outstanding:	Common Stock	
CUSIP:	97424Q106	
Par or stated value:	$0.01	
Total shares authorized:	19,940,000	as of date: September 30, 2026
Total shares outstanding:	5,082,209	as of date: September 30, 2026
Total number of shareholders of record:	234	as of date: September 30, 2026

Security Description:

1. For common equity, describe any dividend, voting and preemption rights.
Holders of the Company's common stock are entitled to one vote per share. Holders of the Company's common stock have identical rights. Holders of the Company's common stock will be entitled to share equally, on a per share basis, in any dividends that our Board of Directors may determine to issue from time to time.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions. *Not applicable*

3. Describe any other material rights of common or preferred stockholders. *Not applicable*

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report. *Not applicable*

3) Issuance History

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

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: January 1, 2024	Opening Balance: Common: 4,756,369 Preferred: 0								
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?**
2/1/2024	New Issuance	42,145	Common	$3.22	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Unrestricted	Securities Act Section 4(a)(2)
4/23/2024	New Issuance	43,818	Common	$4.42	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Unrestricted	Securities Act Section 4(a)(2)
7/16/2024	New Issuance	36,410	Common	$4.94	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Unrestricted	Securities Act Section 4(a)(2)
11/11/2024	New Issuance	34,324	Common	$4.51	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Unrestricted	Securities Act Section 4(a)(2)
2/27/2025	New Issuance	24,842	Common	$5.06	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Unrestricted	Securities Act Section 4(a)(2)
4/21/2025	New Issuance	10,078	Common	$4.64	No[1]	Horizon Kinetics Hard Assets, LLC/Steven M. Bregman	Acquisition	Unrestricted	Securities Act Section 4(a)(2)
6/25/2025	New Issuance	17,603	Common	$4.30	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Unrestricted	Securities Act Section 4(a)(2)
8/4/2025	New Issuance	24,166	Common	$4.63	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Unrestricted	Securities Act Section 4(a)(2)
8/25/2025	New Issuance	11,905	Common	$4.69	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Unrestricted	Securities Act Section 4(a)(2)
9/26/2025	New Issuance	40,166	Common	$4.63	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Unrestricted	Securities Act Section 4(a)(2)
10/1/2025	New Issuance	10,593	Common	$4.60	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Unrestricted	Securities Act Section 4(a)(2)
12/8/2025	New Issuance	16,839	Common	$3.94	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Restricted	Securities Act Section 4(a)(2)
2/2/2026	New Issuance	12,951	Common	$3.58	No[1]	FRMO Corporation/ Steven M. Bregman	Acquisition	Restricted	Securities Act Section 4(a)(2)
Shares Outstanding as of: September 30, 2026	Ending Balance: Common: 5,082,209 Preferred: 0		[1]The shares were issued at the 60-day average market price.						

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)

Date of Note Issuance	Outstanding Balance ($)	Principal Amount at Issuance ($)	Interest Accrued ($)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
____	____	____	____	____	____	____	____

4) Issuer's Business, Products and Services

Winland Holdings Corporation ("Winland" or the "Company") is the holding company for Winland Electronics, Inc. ("Winland Electronics"), Winland Capital Corporation ("Winland Capital Corp."), and Winland Mining LLC ("Winland Mining"), all wholly-owned subsidiaries of the Company. The contact information for the Company and subsidiaries is as follows:

1961 Premier Drive, Suite 265
Mankato, MN 56001
800-635-4269
investors@winland.com

Winland Electronics is an industry leader in critical condition monitoring devices. Products including EnviroAlert Professional, EnviroAlert, WaterBug, TempAlert, and Power-Out Alert are designed in-house to monitor critical conditions and protect against loss of assets due to damage from water, excess humidity, extremes of temperature, and loss of power, among others, across industries including agriculture, construction, food service and storage, healthcare, manufacturing, real estate, technology, veterinary, and warehousing. Winland Electronics markets and sells its line of proprietary critical condition monitoring hardware and subscription service products primarily through a global network of distributors, dealers, security installers and integrators. Winland Electronics' products are compatible with most hardwired or wireless alarm system. Winland Electronics also offers a critical environment monitoring solution called INSIGHT, an automated, cloud-based platform that provides early alerting, reporting, and logging services designed to ensure regulatory compliance.

Winland Capital Corp. is the holding company for the Company's investment operations and includes wholly-owned subsidiaries Winland Credit Partners LLC ("Winland Credit") and Winland Capital Management LLC ("Winland Capital").

Winland Mining is the Company's cryptocurrency mining business and currently operates approximately 13 Bitmain Antminer S21 200 TH/S, 45 Bitmain Antminer L9 16G, 6 Bitmain Antminer L9 17G, 10 Bitmain Antminer S21 Pro 234 TH/S, 26 Bitmain Antminer L9 16.5G, and 5 Bitmain Antminer Z15 Pro cryptocurrency miners. Winland Mining has entered into a services agreement with Horizon Kinetics LLC to engage with cryptocurrency mining hosting facilities on Winland Mining's behalf and to support its cryptocurrency mining operations by performing certain services from time to time.

The Company continues to explore various alternatives to enhance shareholder value that utilize the expertise of management and the Board of Directors. Such alternatives may include establishing new ventures, acquiring existing businesses, and other investment opportunities, including investments in private credit, various rights to payment (including bankruptcy claims), marketable securities, and cryptocurrency-related assets.

5) Issuer's Facilities

The Company currently occupies 2,012 square feet of office space at 1961 Premier Drive, Suite 265, Mankato, MN 56001, which is leased from the City of Mankato. The property is in good condition and suitable for the Company's current use (see Note 15).

6) Officers, Directors, and Control Persons

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of 5% or more)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Matthew D. Houk	Chairman, Chief Executive Officer, and Chief Financial Officer	New Vernon, NJ	676,287	Common	13.3%	(1)
Steven M. Bregman	Director	Hastings-on-Hudson, NY	2,505,306	Common	49.3%	(2)

1) According to Matthew D. Houk, as of September 30, 2026, he beneficially owns and has sole power to vote or to dispose of 477,799 shares. Mr. Houk shares power to vote or to dispose of 195,238 shares beneficially owned by David B. Houk. Mr. Houk shares power to vote or to dispose of 3,250 shares held by Mr. Houk's spouse. The address for Mr. Houk is c/o Horizon Kinetics LLC, 1270 Avenue of the Americas, 27th Floor, New York, NY 10020.
2) According to Steven M. Bregman, as of September 30, 2026, 2,296,959 shares are beneficially owned by FRMO Corp., which has sole power to vote or to dispose of such shares. 167,028 shares are beneficially owned by Horizon Common, Inc., which has sole power to vote or to dispose of such shares. 40,809 shares are beneficially owned by Horizon Kinetics Hard Assets, LLC, which has sole power to vote or to dispose of such shares. 408 shares are beneficially owned by Horizon Kinetics LLC, which has sole power to vote or to dispose of such shares. 102 shares are beneficially owned by Horizon Kinetics Asset Management LLC, which has sole power to vote or to dispose of such shares. Horizon Kinetics Hard Assets, LLC, Horizon Kinetics LLC, and Horizon Kinetics Asset Management LLC are controlled by Horizon Kinetics Holding Corporation. Mr. Bregman, Co-Chief Executive Officer and Director and an owner of more than 5% of FRMO Corp., is designated as the control person. Mr. Bregman, Co-Chief Executive Officer and Director and an owner of more than 5% of Horizon Common, Inc., is designated as the control person. Mr. Bregman, Co-Chief Executive Officer and Director and an owner of more than 5% of Horizon Kinetics Holding Corporation, is designated as the control person. The address for FRMO Corp. is One North Lexington Ave., Suite 12C, White Plains, NY 10601. The address for Horizon Common, Inc. is One North Lexington Ave., Suite 12C, White Plains, NY 10601. The address for Horizon Kinetics Holding Corporation is 1270 Avenue of the Americas, 27th Floor, New York, NY 10020.

Name of Control Person

FRMO Corporation, which acquired greater than 5% of the Company's outstanding common stock on November 14, 2014. Steven M. Bregman, Co-Chief Executive Officer and Director and an owner of more than 5% of FRMO Corporation, is designated as the control person.

Matthew D. Houk, who acquired greater than 5% of the Company's outstanding common stock on October 9, 2012.

7) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years:

1. Been the subject of an indictment or a conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);
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, or 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 complain 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 alleges 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 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 Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Firm:	Fredrikson & Byron, P.A.
Nature of Services:	Counsel
Address 1:	60 South Sixth Street, Suite 1500
Address 2:	Minneapolis, MN 55402-4400
Phone:	(612) 492-7000
Email:	rbrauer@fredlaw.com

Accountant or Auditor

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

9) Disclosure & Financial Information

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

Name: Matthew D. Houk
Title: Chairman, CEO & CFO
Relationship to Issuer: Director & Officer of Issuer

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

☐ IFRS
☒ U.S. GAAP

C. The consolidated financial statements for this reporting period were prepared by (name of individual):

Name: **Matthew D. Houk**
Title: **Chairman, CEO & CFO**
Relationship to Issuer: **Director & Officer of Issuer**
Describe the qualifications of the person or persons who prepared the financial statements: *Matthew D. Houk serves as Chief Executive Officer, Chief Financial Officer, and Chairman of the Board of Directors. He is a Portfolio Manager and Research Analyst at Horizon Kinetics LLC ("Horizon"), an investment management services firm. Mr. Houk has been with Horizon since August 2008. Mr. Houk is responsible for identifying, analyzing, and monitoring investment opportunities and portfolio companies for Horizon. Mr. Houk is also a Co-Portfolio Manager for several registered investment companies at Horizon. Mr. Houk also serves on the boards of Bonterra Resources Inc, CNSX Global Markets Inc., and Lamington Road DAC. Previously, Mr. Houk was with Goldman, Sachs & Co., a global investment banking, securities, and investment management firm, which he joined in August 2005. Mr. Houk holds a B.A. in Economics and Political Science from Yale University. Through his work in investment management, Mr. Houk brings to the Company an ability to assess and oversee corporate and financial performance.*

9) Disclosure & Financial Information (Continued)

WINLAND HOLDINGS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands, Except Share Data)

	September 30, 2026 (unaudited)	December 31, 2025
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 2,453**	$ 2,589
Accounts receivable, less allowance for credit losses of $8 as of both September 30, 2026 and December 31, 2025 (Note 2)	**619**	501
Inventories (Note 4)	**1,266**	1,294
Prepaid expenses and other assets	**216**	134
Total current assets	**4,554**	4,518
Property and Equipment, at cost		
Property and equipment	**1,125**	1,265
Less accumulated depreciation	**587**	576
Net property and equipment (Note 14)	**538**	689
Long-Term Assets		
Long-term investments	**1**	1
Long-term rights to payment (Note 11)	**1,507**	1,565
Operating lease right of use asset (Note 15)	**82**	3
Cryptocurrency (Note 13)	**7,203**	7,303
Total long-term assets	**8,793**	8,872
Total assets	**$ 13,885**	**$ 14,079**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	**$ 341**	$ 733
Operating lease liability (Note 15)	**15**	3
Accrued liabilities:		
Compensation	**97**	56
Other current liabilities	**16**	25
Total current liabilities	**469**	817
Long-Term Liabilities		
Operating lease liability (Note 15)	**67**	-
Deferred tax liabilities, net (Note 6)	**441**	432
Total long-term liabilities	**508**	432
Total liabilities	**977**	1,249
Stockholders' Equity		
Common stock, par value $0.01 per share; authorized 19,940,000 shares; issued and outstanding 5,082,209 as of September 30, 2026 and 5,069,258 as of December 31, 2025	**51**	51
Additional paid-in capital	**7,556**	7,510
Accumulated earnings	**5,301**	5,269
Total stockholders' equity	**12,908**	12,830
Total liabilities and stockholders' equity	**$ 13,885**	$ 14,079

See Notes to Condensed Consolidated Financial Statements

9) Disclosure & Financial Information (Continued)

WINLAND HOLDINGS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands, Except Share and Per Share Data)
(unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	**2026**	2025
Net sales				
Product and services (Notes 1 and 7)	**$ 1,383**	$ 1,532	**$ 4,029**	$ 3,932
Cryptocurrency (Note 13)	**78**	183	**238**	519
Total net sales	**1,461**	1,715	**4,267**	4,451
Cost of sales				
Product and services	**865**	1,012	**2,520**	2,627
Cryptocurrency	**135**	194	**425**	542
Total cost of sales	**1,000**	1,206	**2,945**	3,169
Gross profit	**461**	509	**1,322**	1,282
Operating expenses:				
General and administrative	**188**	182	**623**	556
Sales and marketing	**91**	115	**315**	413
Research and development	**2**	4	**22**	31
Disposal of equipment (Note 16)	**15**	5	**26**	10
Realized and unrealized loss (gain) on cryptocurrency, net	**(2,203)**	(559)	**248**	(1,634)
Total operating expenses	**(1,907)**	(253)	**1,234**	(624)
Operating profit	**2,368**	762	**88**	1,906
Other income (expense) (Note 9)	**386**	113	**(47)**	302
Income before income taxes	**2,754**	875	**41**	2,208
Income tax expense (Note 6)	**606**	193	**9**	486
Net income	**$ 2,148**	$ 682	**$ 32**	$ 1,722
Income per common share data:				
Basic	**$ 0.42**	$ 0.14	**$ 0.01**	**$ 0.35**
Diluted	**$ 0.42**	$ 0.14	**$ 0.01**	**$ 0.35**
Weighted-average number of common shares outstanding:				
Basic	**5,082,209**	4,996,160	**5,080,644**	4,952,767
Diluted	**5,082,209**	4,996,160	**5,080,644**	4,952,767

See Notes to Condensed Consolidated Financial Statements

WINLAND HOLDINGS CORPORATION
CONDENSED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In Thousands, Except Share Data)
(unaudited)

	Common Stock		Additional Paid-In	Accumulated Earnings	
	Shares	Amount	Capital	(Deficit)	Total
Balance on December 31, 2024	**4,913,066**	**$ 49**	**$ 6,795**	**$ 5,788**	**$ 12,632**
Issuance of stock for equipment (Note 13)	24,842	-	126	-	126
Net loss	-	-	-	(773)	(773)
Balance on March 31, 2025	**4,937,908**	**$ 49**	**$ 6,921**	**$ 5,015**	**$ 11,985**
Issuance of stock for equipment (Note 13)	27,681	1	121	-	122
Net income	-	-	-	1,813	1,813
Balance on June 30, 2025	**4,965,589**	**$ 50**	**$ 7,042**	**$ 6,828**	**13,920**
Issuance of stock for equipment (Note 13)	52,071	-	233	-	233
Issuance of stock for cash (Note 13)	24,166	-	121	-	121
Net income	-	-	-	682	682
Balance on September 30, 2025	**5,041,826**	**50**	**$ 7,396**	**$ 7,510**	**$ 14,956**
Balance on December 31, 2025	**5,069,258**	**$ 51**	**$ 7,510**	**$ 5,269**	**$ 12,830**
Issuance of stock for cash (Note 13)	12,951	-	46	-	46
Net loss	-	-	-	(1,479)	(1,479)
Balance on March 31, 2026	**5,082,209**	**$ 51**	**$ 7,556**	**$ 3,790**	**$ 11,397**
Net loss	-	-	-	(637)	(637)
Balance on June 30, 2026	**5,082,209**	**$ 51**	**$ 7,556**	**$ 3,153**	**10,760**
Net income	-	-	-	2,148	2,148
Balance on September 30, 2026	**5,082,209**	**$ 51**	**$ 7,556**	**$ 5,301**	**12,908**

See Notes to Condensed Consolidated Financial Statements

9) Disclosure & Financial Information (Continued)

WINLAND HOLDINGS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)
(unaudited)

	For the Nine Months Ended September 30,	
	2026	2025
Cash flows from operating activities		
Net income	**$ 32**	$ 1,722
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	**246**	284
Realized and unrealized loss (gain) on cryptocurrency, net	**248**	(1,634)
Realized and unrealized loss (gain) on rights to payment, net	**58**	(276)
Net loss on disposal of equipment	**26**	10
Increase (decrease) in allowance for obsolete inventory	**125**	(14)
Deferred income tax liability, net	**9**	486
Changes in assets and liabilities:		
Accounts receivable	**(118)**	35
Inventories	**(97)**	(122)
Cryptocurrency	**(238)**	(517)
Prepaid expenses and other assets	**(82)**	(64)
Accounts payable	**(392)**	72
Accrued liabilities	**32**	(2)
Net cash used in operating activities	**(151)**	(20)
Cash flows from investing activities		
Proceeds from sale of cryptocurrencies	**136**	308
Proceeds from rights to payment	**-**	697
Rights to payment recovery to seller	**-**	(226)
Purchases of cryptocurrencies	**(46)**	(130)
Purchases of property and equipment	**(121)**	(11)
Net cash provided by (used in) investing activities	**(31)**	638
Cash flows from financing activities		
Issuance of common stock for cash	**46**	121
Net cash provided by financing activities	**46**	121
Net increase (decrease) in cash and cash equivalents	**(136)**	739
Cash and cash equivalents		
Beginning	**2,589**	1,617
Ending	**$ 2,453**	$ 2,356
Non-cash investing and financing activities:		
Issuance of common stock for equipment (Note 13)	**-**	481

See Notes to Condensed Consolidated Financial Statements

9) Disclosure & Financial Information (Continued)

Note 1. Basis of Presentation and Nature of Business

The accompanying unaudited condensed consolidated financial statements have been prepared by Winland Holdings Corporation ("Winland" or the "Company") in accordance with accounting principles generally accepted in the United States of America for the preparation of interim financial information. Accordingly, they do not include all of the information and notes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Financial results for the nine months ended September 30, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026.

The condensed consolidated balance sheet at December 31, 2025 has been derived from the audited financial statements as of that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statement presentation.

This financial information should be read in conjunction with the consolidated financial statements and notes included in the Company's Annual Report for the year ended December 31, 2025.

Management is required to make certain estimates and assumptions which affect the amounts of assets, liabilities, revenue, and expenses reported. Actual results could differ materially from these estimates and assumptions.

The Company evaluates events through the date the consolidated financial statements are filed for events requiring adjustment to or disclosure in the consolidated financial statements.

Nature of Business:

Winland Holdings Corporation ("Winland" or the "Company") is the holding company for Winland Electronics, Inc. ("Winland Electronics"), Winland Capital Corporation ("Winland Capital Corp."), and Winland Mining LLC ("Winland Mining"), all wholly-owned subsidiaries of the Company.

Winland Electronics is an industry leader in critical condition monitoring devices. Products including EnviroAlert Professional, EnviroAlert, WaterBug, TempAlert, and Power-Out Alert are designed in-house to monitor critical conditions and protect against loss of assets due to damage from water, excess humidity, extremes of temperature, and loss of power, among others, across industries including agriculture, construction, food service and storage, healthcare, manufacturing, real estate, technology, veterinary, and warehousing. Winland Electronics markets and sells its line of proprietary critical condition monitoring hardware and subscription service products primarily through a global network of distributors, dealers, security installers and integrators. Winland Electronics' products are compatible with most hardwired or wireless alarm system. Winland Electronics also offers a critical environment monitoring solution called INSIGHT, an automated, cloud-based platform that provides early alerting, reporting, and logging services designed to ensure regulatory compliance.

Winland Capital Corp. is the holding company for the Company's investment operations and includes wholly-owned subsidiaries Winland Credit Partners LLC ("Winland Credit") and Winland Capital Management LLC ("Winland Capital").

Winland Mining is the Company's cryptocurrency mining business and currently operates approximately 13 Bitmain Antminer S21 200 TH/S, 45 Bitmain Antminer L9 16G, 6 Bitmain Antminer L9 17G, 10 Bitmain Antminer S21 Pro 234 TH/S, 26 Bitmain Antminer L9 16.5G, and 5 Bitmain Antminer Z15 Pro cryptocurrency miners. Winland Mining has entered into a services agreement with Horizon Kinetics LLC to engage with cryptocurrency mining hosting facilities on Winland Mining's behalf and to support its cryptocurrency mining operations by performing certain services from time to time.

The Company continues to explore various alternatives to enhance shareholder value that utilize the expertise of management and the Board of Directors. Such alternatives may include establishing new ventures, acquiring existing businesses, and other investment opportunities, including investments in private credit, various rights to payment (including bankruptcy claims), marketable securities, and cryptocurrency-related assets.

The footnotes related to dollars are in thousands unless noted.

9) Disclosure & Financial Information (Continued)

Note 2. Major Customers

The Company has three customers that accounted for 10 percent (10%) or more of net sales for the three and nine months ended September 30, 2026 and two customers as of September 30, 2025 as follows:

	For the Three Months Ended September 30,	
Sales percentage:	2026	2025
Customer A	30%	49%
Customer B	11%	12%
Customer C	25%	2%

	For the Nine Months Ended September 30,	
Sales percentage:	2026	2025
Customer A	30%	43%
Customer B	11%	12%
Customer C	24%	3%

The Company had net receivables (as a percentage of total receivables) from the above customers as follows:

	September 30,	
Accounts receivable percentage:	2026	2025
Customer A	40%	42%
Customer B	34%	38%
Customer C	0%	1%

Note 3. Income (loss) per Common Share

Income (loss) per common share: Basic income (loss) per common share is computed by dividing the net income (loss) by the weighted-average number of common shares outstanding during the period. Diluted income (loss) per common share is computed by dividing the net income (loss) by the weighted-average number of common shares outstanding during the period, including potentially dilutive shares such as the options to purchase shares of common stock at various amounts per share.

For the three months ended September 30, 2026, the basic income per share was $0.42 based on 5,082,209 shares outstanding. For the three months ended September 30, 2026, there were no actual or potential dilutive option shares outstanding. For the three months ended September 30, 2025, the basic income per share was $0.14 based on 4,996,160 shares outstanding. For the three months ended September 30, 2025, there were no dilutive option shares outstanding.

For the nine months ended September 30, 2026, the basic income per share was $0.01 based on 5,080,644 shares outstanding. For the nine months ended September 30, 2026, there were no actual or potential dilutive option shares outstanding. For the nine months ended September 30, 2025, the basic income per share was $0.35 based on 4,952,767 shares outstanding. For the nine months ended September 30, 2025, there were no dilutive options shares outstanding.

Note 4. Inventories

The components of inventories were as follows, net of reserves:

	September 30, 2026	December 31, 2025
Raw materials	$ 7	$ 7
Finished goods	1,259	1,287
Total, net	$ 1,266	$ 1,294

9) Disclosure & Financial Information (Continued)

Note 5. Allowance for Rework and Warranty Costs

The Company provides a limited warranty for its products for a period of one year, which requires the Company to repair or replace defective product at no cost to the customer or refund the purchase price. The reserve reflecting historical experience and potential warranty issues is determined based on specific experience factors, including rate of return by item, average weeks outstanding from sale to return, average cost of repair, and relation of repair cost to original sales price. Any specific known warranty issues are considered individually. These are analyzed to determine the probability and the amount of financial exposure, and a specific reserve is established. The allowance for rework and warranty costs was $15 as of September 30, 2026 and $25 as of December 31, 2025.

Note 6. Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company records a tax valuation allowance when it is more likely than not that it will not be able to recover the value of its deferred tax assets.

The years 2022 through 2025 remain open for examination by the IRS and other state agencies.

At December 31, 2025, the Company had net operating loss carryforwards of $3,283 for federal income tax purposes and $1,380 for state income tax purposes that are available to offset future taxable income and begin to expire in the year 2031 and 2026, respectively. Effective January 1, 2018, the Company restructured into a holding company, with the operations of Winland Electronics being dropped down into a subsidiary of Winland. Additional subsidiaries were created to operate new areas of business. With the restructuring, the tax attributes related to the net operating loss carryforwards and credit carryforwards remained at the parent level with Winland. Various other tax attributes directly related to the operations of the subsidiaries were dropped down to the subsidiaries at the time of restructuring. The Company will continue utilizing the net operating loss carryforwards and credit carryforwards and will evaluate the realization of the corresponding deferred tax asset at the consolidated company level.

The Company's ability to utilize its net operating losses ("NOLs") to reduce taxable income in future years may be limited for various reasons, including if projected future taxable income is insufficient to recognize the full benefit of such NOLs prior to their expiration. Additionally, the ability to fully utilize these tax assets could also be adversely affected if the Company is deemed to have had an "ownership change" within the meaning of Section 382 of the Internal Revenue Code of 1986, as amended (the "Code"). An ownership change is generally defined as a greater than 50% increase in equity ownership by "5-percent shareholders" (as that term is defined for purposes of Section 382 of the Code) in any three-year testing period.

The Company does not anticipate any significant changes to the total amount of unrecognized tax benefits in the next 12 months.

Note 7. Revenue Recognition

Revenues are recognized when control of the promised goods or services are transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. The Company accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Disaggregation of Revenue: The following table presents our revenues disaggregated by revenue sources of hardware, software subscription contracts, and cryptocurrency.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	**2026**	2025
Hardware	**$ 1,301**	$ 1,448	**$ 3,782**	$ 3,685
Subscription service	**82**	84	**247**	247
Cryptocurrency	**78**	183	**238**	519
	$ 1,461	$ 1,715	**$ 4,267**	$ 4,451

Note 7. Revenue Recognition (Continued)

Hardware Contracts: For hardware contracts, the Company's customers submit binding purchase orders stating the items to purchase, standard price, shipping method and payment terms. The Company sets standard pricing for its hardware items and communicates them to a majority of customers. For customers who receive nonstandard pricing, pricing is determined based on customer annual sales volumes and or geographic region, typically outside of North America.

The Company recognizes revenue at a point in time as hardware is delivered to common carrier for shipment and title transfers.

Software Subscription Contracts: The Company recognizes revenue from software subscription contracts over time as the services are rendered to the customer on a daily basis. Contracts are billed at the beginning of each calendar quarter for a quarterly period with standard payment terms of 30 days from the date of invoice.

Significant Judgements: The Company estimates any variable consideration at the outset of the contract (such as credits or incentives to its customers). The Company constrains (reduces) the estimates of variable consideration such that it is probable that a significant revenue reversal of previously recognized revenue will not occur over the life of a contract.

Transaction Price Allocated to Future Performance Obligations: The Company determines the allocation of the transaction price and amounts allocated to remaining performance obligations based on the standalone selling price for each distinct performance obligation in the contract. The Company generally determines standalone selling prices based on the actual prices charged to customers.

Contract Balances: Unearned revenues arise when revenues are invoiced but cannot be recognized until the completion of service over time.

The Company generally expenses sales commissions when incurred because the amortization period would have been one year or less. These costs are recorded within sales and marketing expenses for the nine months ended September 30, 2026 and 2025, respectively.

All of the Company's software subscription contracts are short-term in nature with a contract term of one year. For those contracts, the Company utilized the practical expedient in ASC 606-10-50-14 exempting the Company from disclosure of the transaction price allocated to remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

Additionally, the Company's payment terms are short-term in nature with settlements of one year or less, generally net 30 days. The Company, therefore, utilized the practical expedient in ASC 606-10-32-18 exempting the Company from adjusting the promised amount of consideration for the effects of a significant financing component given that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Sales taxes and use taxes are reported on a net basis, excluding them from sales and cost of sales. The Company has elected the practical expedient to exclude such amounts from the determination of the transaction price of contracts.

The Company has elected an accounting policy to account for shipping and handling activities that occur after the customer has obtained control of a good as an activity to fulfill the promise to transfer the good. Therefore, shipping and handling charges are excluded from the determination of the transaction price of contracts. Shipping and handling charges billed to customers are included in net sales, and shipping and handling costs incurred by the Company are included in cost of sales.

The Company has elected the accounting policy to exclude immaterial goods or services from assessment as separate performance obligations.

Cryptocurrency: The Company recognizes revenue at the time of the cryptocurrency creation (see Note 13).

9) Disclosure & Financial Information (Continued)

Note 8. Financial Instruments

Marketable securities: The Company's marketable equity securities are carried at fair value. Realized and unrealized gains (losses) are reported in other income. The cost of securities sold is based upon the specific identification method.

Fair value measurements: The Company applies fair value accounting for all financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. The Company defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, which are required to be recorded at fair value, the Company considers the principal or most advantageous market in which the Company would transact and the market-based risk measurements or assumptions that market participants would use to price the asset or liability, such as risks inherent in valuation techniques, transfer restrictions, and credit risk. Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement.

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Inputs that are generally unobservable and typically reflect management's estimate of assumptions that market participants would use in pricing the asset or liability.

The Company's valuation techniques used to measure the fair value of certain marketable equity securities were derived from quoted prices in active markets for identical assets or liabilities.

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 not elected the fair value option for any eligible financial instruments.

Recurring measurement of fair value: The following table presents information about the Company's assets measured at fair value on a recurring basis and the Company's estimated level within the fair value hierarchy of those assets as of September 30, 2026 and December 31, 2025, respectively:

WINLAND HOLDINGS CORPORATION
RECURRING FAIR VALUE MEASUREMENT
(In Thousands)

	As of September 30, 2026						
	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value	Level 1	Level 2	Level 3
Cash equivalent	$ 803	$ -	$ -	$ 803	$ 803	$ -	$ -
Cryptocurrency	$ 3,653	$ 3,550	$ -	$ 7,203	$ 7,203	$ -	$ -
Rights to payment, cryptocurrency-related claims	$ 240	$ 1,267	$ -	$ 1,507	$ 1,507	$ -	$ -
Total	$ 4,696	$ 4,817	$ -	$ 9,513	$ 9,513	$ -	$ -

	As of December 31, 2025						
	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value	Level 1	Level 2	Level 3
Cash equivalent	$ 899	$ -	$ -	$ 899	$ 899	$ -	$ -
Cryptocurrency	$ 3,504	$ 3,799	$ -	$ 7,303	$ 7,303	$ -	$ -
Rights to payment, cryptocurrency-related claims	$ 240	$ 1,325	$ -	$ 1,565	$ 1,565	$ -	$ -
Total	$ 4,643	$ 5,124	$ -	$ 9,766	$ 9,766	$ -	$ -

Note 8. Financial Instruments (Continued)

Fair values were determined for each individual security in the investment portfolio. When evaluating an investment for other-than-temporary impairment, the Company reviews factors such as the length of time and extent to which fair value has been below its cost basis, the financial condition of the issuer and any changes thereto, the Company's intent to sell, or whether it is more likely than not it will be required to sell the investment before recovery of the investment's cost basis. As of September 30, 2026, the Company does not consider any of its investments to be other-than-temporarily impaired. The balance included as a long-term marketable security has been classified as long-term as it is the company's intent to hold the investment for greater than one year, though the actual length of time that the security may be held could be different.

Note 9. Other Income (expense)

Other income (expense) consisted of the following for the three and nine months ended September 30, 2026 and 2025:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Dividend income	7	8	21	26
Rights to payment (Note 11)	379	105	(58)	276
Moving Expense	-	-	(10)	-
Other income (expense)	$ 386	$ 113	$ (47)	$ 302

Note 10. Segment Reporting

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"), or decision–making group, in deciding how to allocate resources and assess performance. The Company's Chief Executive Officer is the CODM.

The Company has three reportable segments: Winland Electronics, Winland Capital Corp., and Winland Mining. The reportable segments are based on the types of services performed. No operating segments have been aggregated to form the reportable segments.

Gross profit and net income are the segment performance measures the CODM uses to assess the Company's reportable segments.

The following tables present segment revenue, segment gross profit and segment income from operations, including significant expense items:

Note 10. Segment Reporting (Continued)

WINLAND HOLDINGS CORPORATION
SEGMENT REPORTING
($ in Thousands)

	For the Nine Months Ended September 30, 2026			
	Winland Electronics	Winland Capital Corp.	Winland Mining LLC	Total
For the Nine months ended September 30, 2026				
Net sales from external customers	$ 4,029	$ -	$ 238	$ 4,267
Less:				
Cost of sales	2,517	-	428	2,945
Segment gross profit (loss)	1,512	-	(190)	$ 1,322
Less:				
General and adminstrative	504	34	85	623
Sales and marketing	315	-	-	315
Research and development	22	-	-	22
Disposal of equipment	-	-	26	26
Realized and unrealized loss on cryptocurrency	-	-	248	248
Other expense (income)	10	43	(1)	52
Income tax expense (benefit)	145	(17)	(119)	9
Segment net income (loss)	$ 516	$ (60)	$ (429)	$ 27
Total assets	$ 3,062	$ 2,575	$ 7,679	$ 13,316
Depreciation	27	-	219	246

	For the Nine Months Ended September 30, 2025			
	Winland Electronics	Winland Capital Corp.	Winland Mining LLC	Total
For the Nine months ended September 30, 2025				
Net sales from external customers	$ 3,932	$ -	$ 519	$ 4,451
Less:				
Cost of sales	2,621	-	548	3,169
Segment gross profit (loss)	1,311	-	(29)	$ 1,282
Less:				
General and adminstrative	408	45	103	556
Sales and marketing	413	-	-	413
Research and development	31	-	-	31
Disposal of equipment	-	-	10	10
Realized and unrealized (gain) on cryptocurrency	-	-	(1,634)	(1,634)
Other income	-	293	3	296
Income tax expense	101	55	330	486
Segment net income	$ 358	$ 193	$ 1,291	$ 1,716
Total assets	$ 2,493	$ 3,100	$ 10,319	$ 15,912
Depreciation	16	-	268	284

The following table presents a reconciliation of segment net income to the Company's net income:

	Nine Months Ended September 30,	
	2026	2025
Segment net income	$ 27	$ 1,716
Winland Holdings Corp. other income	5	6
Net income	32	$ 1,722

Note 10. Segment Reporting (Continued)

WINLAND HOLDINGS CORPORATION
SEGMENT REPORTING
($ in Thousands)

	For the Three Months Ended September 30, 2026			
	Winland Electronics	Winland Capital Corp.	Winland Mining LLC	Total
For the Three months ended September 30, 2026				
Net sales from external customers	$ 1,383	$ -	$ 78	$ 1,461
Less:				
Cost of sales	865	-	135	1,000
Segment gross profit (loss)	518	-	(57)	$ 461
Less:				
General and adminstrative	151	11	26	188
Sales and marketing	91	-	-	91
Research and development	2	-	-	2
Disposal of equipment	-	-	15	15
Realized and unrealized (gain) on cryptocurrency	-	-	(2,203)	(2,203)
Other expense (income)	-	(383)	1	(382)
Income tax expense	61	82	463	606
Segment net income	$ 213	$ 290	$ 1,641	$ 2,144
Total assets	$ 3,062	$ 2,575	$ 7,679	$ 13,316
Depreciation	10	-	72	82

	For the Three Months Ended September 30, 2025			
	Winland Electronics	Winland Capital Corp.	Winland Mining LLC	Total
For the Three months ended September 30, 2025				
Net sales from external customers	$ 1,532	$ -	$ 183	$ 1,715
Less:				
Cost of sales	1,007	-	199	1,206
Segment gross profit (loss)	525	-	(16)	$ 509
Less:				
General and adminstrative	129	15	38	182
Sales and marketing	115	-	-	115
Research and development	4	-	-	4
Disposal of equipment	-	-	5	5
Realized and unrealized (gain) on cryptocurrency	-	-	(559)	(559)
Other (income)	-	(110)	(1)	(111)
Income tax expense	61	21	111	193
Segment net income	$ 216	$ 74	$ 390	$ 680
Total assets	$ 2,493	$ 3,100	$ 10,319	$ 15,912
Depreciation	3	-	100	$ 103

The following table presents a reconciliation of segment net income (loss) to the Company's net income (loss):

	Three Months Ended September 30,	
	2026	2025
Segment net income	$ 2,144	$ 680
Winland Holdings Corp. other income	4	2
Net income	2,148	$ 682

Note 11. Rights to Payment

Rights to payment at fair value, net of any proceeds and net of any recovery sharing obligation, are $1,507 as of September 30, 2026 and $1,565 as of December 31, 2025. All rights to payment are in cryptocurrency-related claims.

Winland Credit received payments of $0 for the nine months ended September 30, 2026 and $697 with a $226 recovery sharing obligation to the original claimant during the nine months ended September 30, 2025. The Company believes all rights to payment are collectible as of September 30, 2026.

Note 12. Related Party Transactions

In June 2020, Winland Mining entered into a services agreement (the "2020 Services Agreement") with Horizon Kinetics LLC ("HK"). Effective December 1, 2025 a new services agreement (the "2025 Services Agreement") was entered into with HK. HK is an investment firm owned and operated by Steven Bregman, among others. Mr. Bregman is a member of the Company's Board of Directors. HK is the employer of Matthew Houk, Chief Manager and Chief Financial Officer of Winland Mining, Chief Executive Officer and Chief Financial Officer of the Company, and Chairman of the Company's Board of Directors. Under the 2020 Services Agreement, HK was entitled to a quarterly management fee of $3. Under the 2025 Services Agreement, HK is entitled to an annual fee equivalent to 1% of the cryptocurrency balances plus the depreciated equipment value, paid quarterly in arrears, with any and all fees above $0.5 per month waived for six months from effective date. This waiver was extended in May 2026 for an additional six months. The 2025 Services Agreement shall continue unless terminated by either party upon 10 days' prior written notice. Winland Mining incurred fees of $5 for the nine months ended September 30, 2026 and $9 for the nine months ended September 30, 2025, of which $2 and $3 were included in accounts payable as of September 30, 2026 and December 31, 2025, respectively.

Note 13. Winland Mining LLC

On June 23, 2020, the Company, through its wholly-owned subsidiary Winland Mining, acquired 200 Bitmain Antminer S19 95 TH/S cryptocurrency miners from FRMO Corporation in exchange for 574,000 shares of the Company's common stock. In connection with its acquisition of cryptocurrency mining equipment, Winland Mining entered into a services agreement with Horizon Kinetics LLC to engage with cryptocurrency mining hosting facilities on Winland Mining's behalf and to support its cryptocurrency mining operations by performing certain services from time to time. Winland Mining began operating its cryptocurrency mining equipment in July 2020.

On September 1, 2020, the Company, through its wholly-owned subsidiary Winland Mining, acquired cash and cryptocurrencies of Horatio Mining LLC, a privately-held cryptocurrency mining company, from FRMO Corporation in exchange for 136,419 shares of the Company's common stock.

On September 8, 2021, the Company, through its wholly-owned subsidiary Winland Mining, acquired 32 Canaan AvalonMiner 1246 90 TH/S cryptocurrency miners from FRMO Corporation in exchange for 52,560 shares of the Company's common stock.

On April 24, 2023, the Company, through its wholly-owned subsidiary Winland Mining, acquired 32 Bitmain Antminer S19 XP (average 140 TH/S) cryptocurrency miners from FRMO Corporation in exchange for 59,036 shares of the Company's common stock.

On August 10, 2023, the Company, through its wholly-owned subsidiary Winland Mining, acquired 50 Bitmain Antminer S19 XP 141 TH/S cryptocurrency miners from FRMO Corporation in exchange for 79,270 shares of the Company's common stock.

On February 1, 2024, the Company, through its wholly-owned subsidiary Winland Mining, acquired 25 Bitmain Antminer L7 9050M cryptocurrency miners from FRMO Corporation in exchange for 42,145 shares of the Company's common stock.

On April 23, 2024, the Company, through its wholly-owned subsidiary Winland Mining, acquired 20 Bitmain Antminer L7 9050M and 15 Bitmain Antminer S21 200 TH/S cryptocurrency miners from FRMO Corporation in exchange for 43,818 shares of the Company's stock.

On July 16, 2024, the Company, through its wholly-owned subsidiary Winland Mining, acquired 7 Bitmain Antminer L9 16G and 20 Bitmain Antminer S21 Pro 234 TH/S cryptocurrency miners from FRMO Corporation in exchange for 36,410 shares of the Company's stock.

Note 13. Winland Mining LLC (Continued)

On November 11, 2024, the Company, through its wholly-owned subsidiary Winland Mining, acquired 6 Bitmain Antminer L9 17G and 10 Bitmain Antminer L9 16G cryptocurrency miners from FRMO Corporation in exchange for 34,324 shares of the Company's stock.

On February 27, 2025, the Company, through its wholly-owned subsidiary Winland Mining, acquired 10 Bitmain Antminer L9 16G cryptocurrency miners from FRMO Corporation in exchange for 24,842 shares of the Company's common stock.

On April 21, 2025, the Company, through its wholly-owned subsidiary Winland Mining, acquired 5 Bitmain Antminer L9 16G cryptocurrency miners from Horizon Kinetics Hard Assets, LLC in exchange for 10,078 shares of the Company's common stock.

On June 25, 2025, the Company, through its wholly-owned subsidiary Winland Mining, acquired 7 Bitmain Antminer L9 16.5G cryptocurrency miners and cash of $8,672 from FRMO Corporation in exchange for 17,603 shares of the Company's common stock.

On August 4, 2025, the Company, through its wholly-owned subsidiary Winland Mining, received cash of $111,886 from FRMO Corporation in exchange for 24,166 shares of the Company's common stock. The proceeds of the transaction were used to purchase Bitcoin.

On August 25, 2025, the Company, through its wholly-owned subsidiary Winland Mining, acquired 7 Bitmain Antminer L9 16.5G cryptocurrency miners from FRMO Corporation in exchange for 11,905 shares of the Company's common stock.

On September 26, 2025, the Company, through its wholly-owned subsidiary Winland Mining, acquired 12 Bitmain Antminer L9 16.5G and 12 Bitmain Antminer L9 16G cryptocurrency miners from FRMO Corporation in exchange for 40,166 shares of the Company's common stock.

On October 1, 2025, the Company, through its wholly-owned subsidiary Winland Mining, received cash of $48,728 from FRMO Corporation in exchange for 10,593 shares of the Company's common stock. The proceeds of the transaction were used to purchase Bitcoin.

On December 8, 2025, the Company, through its wholly-owned subsidiary Winland Mining, received cash of $66,344 from FRMO Corporation in exchange for 16,839 shares of the Company's common stock. The proceeds of the transaction were used to purchase Bitcoin.

On February 2, 2026, the Company, through its wholly-owned subsidiary Winland Mining, received cash of $46,364 from FRMO Corporation in exchange for 12,951 shares of the Company's common stock. The proceeds of the transaction were used to purchase Bitcoin.

On April 1, 2026, Winland Mining reached an agreement with one of its hosting providers to enroll 40 Bitmain Antminer S19 XP and 32 Bitmain Antminer L7 9050M cryptocurrency miners into a profit-sharing program, whereunder 50% of the machines shall be operated for the benefit of each party in exchange for a reduced hosting rate.

The following table presents information regarding the Winland Mining operations including production and sales of mined Bitcoin, Dogecoin, Litecoin, Bitcoin Cash, and Zcash.

	September 30, 2026			September 30, 2025		
	Quantity	**Cost Basis**	**Fair Value**	**Quantity**	**Cost Basis**	**Fair Value**
Bitcoin	84	$ 3,512	$ 6,990	81	$ 3,245	$ 9,197
Litecoin	1,385	109	93	830	74	89
Bitcoin Cash	10	6	3	10	6	6
Zcash	81	23	116	53	4	4
Dogecoin	5,742	1	1	7,096	2	2
Bitcoin Gold	9	1	-	9	1	-
Etherium Classic	9	1	-	9	1	-
		$ 3,653	$ 7,203		$ 3,333	$ 9,298

Note 13. Winland Mining LLC (Continued)

	Bitcoin		Dogecoin		Other Coins	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Balance as of December 31, 2024	78	$ 7,267	3,000	1	541	$ 55
Additions - revenue from cryptocurrency mining	2	171	1,382,926	310	370	38
Additions - purchased cryptocurrency	1	130	-	-	-	-
Disposition - proceeds from sale of cryptocurrency	-	-	(1,378,830)	(308)	-	-
Realized loss on sale of cryptocurrency	-	-	-	(1)	-	-
Unrealized gain on cryptocurrency	-	1,629	-	-	-	6
Balance as of September 30, 2025	81	$ 9,197	7,096	$ 2	911	$ 99
Balance as of December 31, 2025	82	7,193	6,595	1	1,069	109
Additions - revenue from cryptocurrency mining	1	62	1,459,271	136	425	40
Additions - purchased cryptocurrency	1	46	-	-	-	-
Disposition - proceeds from sale of cryptocurrency	-	-	(1,460,124)	(136)	-	-
Realized loss on sale of cryptocurrency	-	-	-	-	-	-
Unrealized (loss) gain on cryptocurrency	-	(311)	-	-	-	63
Balance as of September 30, 2026	84	$ 6,990	5,742	$ 1	1,494	$ 212

Other held coins - Litecoin, Bitcoin Cash, Zcash, Bitcoin Gold, Ethereum Classic

Bitcoin had a market price of $84 and $114 as of September 30, 2026 and 2025, respectively.

Note 14. Property and Equipment

The components of property and equipment were as follows, net of any depreciation:

Property and Equipment, at cost	**September 30, 2026**	December 31, 2025
Machinery and equipment	**$ 128**	$ 128
Data processing equipment	**58**	55
Office furniture and equipment	**17**	17
Leasehold Improvement	**92**	-
Cryptocurrency mining equipment	**830**	1,066
Total property and equipment	**1,125**	1,265
Less accumulated depreciation	**587**	576
Net property and equipment	**$ 538**	$ 689

Note 15. Right of Use Asset and Operating Lease Liability

On March 2, 2021, Winland Electronics entered into a lease agreement with Fisher Exchange LLC to lease 1,033 square feet of office space at 424 North Riverfront Drive, Suite 200, Mankato, MN. In July 2023, Winland Electronics and Fisher Exchange LLC agreed to extend the lease until March 31, 2026. Winland Electronics no longer has any outstanding obligations to Fisher Exchange LLC related to the previously leased space on North Riverfront Drive. On January 6, 2026, Winland Electronics entered into a 60-month lease agreement with the City of Mankato to lease 2,012 square feet of office space at 1961 Premier Drive, Suite 265, Mankato, MN 56001. This office space is used for the Company's operations including customer service, technical support, and finance. As a result of entering into these leases, Winland Electronics has recorded an operating lease right of use asset and an operating lease liability of $82 and $3 as of September 30, 2026 and December 31, 2025, respectively.

9) Disclosure & Financial Information (Continued)

Note 16. Loss on Disposal of Equipment

In June and August 2025, 5 each of the Bitmain S19 XP cryptocurrency miners operated by Winland Mining were deemed unrepairable and decommissioned. In April and June 2026, 3 each of the Bitmain Antminer S21 Pro 234 TH/S cryptocurrency miners operated by Winland Mining were deemed unrepairable and decommissioned. In September 2026, 2 of the Bitmain Antminer S21 200 TH/S cryptocurrency miners and 4 of the Bitmain Antminer S21 Pro 234 TH/S cryptocurrency miners operated by Winland Mining were deemed unrepairable and decommissioned. Winland Mining incurred a loss on disposal of equipment of $26 and $10 for the nine months ending September 30, 2026 and 2025, respectively.

10) Issuer Certification

Principal Executive Officer & Principal Financial Officer:

I, Matthew D. Houk, certify that:

1. I have reviewed this Disclosure Statement for Winland Holdings Corporation;

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 6, 2026
/s/ Matthew D. Houk
Chairman, Chief Executive Officer, Chief Financial Officer