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Kidoz Inc. Reports Q1 2026 Financial Results with YoY Revenue Growth, Accelerating Strategic Investment in AI

Vancouver, Canada, May 26, 2026 Kidoz Inc. (TSXV: KDOZ) (OTCQB: KDOZF), a full-stack global advertising platform powered by contextual AI, enabling brand performance in mobile games without reliance on personal data, today announced its unaudited condensed interim financial results for the quarter ended March 31, 2026. All amounts are presented in United States dollars and are in accordance with United States Generally Accepted Accounting Principles.

Q1 2026 Financial Result Summary

The first quarter of 2026 demonstrated the resilience of the Kidoz platform, reporting year-over-year revenue growth and strong momentum that culminated in record March revenues. While the quarter was characterized by strategic investment in growth initiatives, resulting in increased operating expenses and a pre-tax loss of (\$814,564), this investment is designed to position Kidoz as a leader in contextual AI advertising and drive long-term scaling.

Management notes that the first quarter has historically represented a softer period relative to the fourth quarter, which typically benefits from stronger advertiser demand and holiday-related spending patterns across the digital advertising market.

Management strategically prioritized investment during the quarter, including expansion of sales resources, AI infrastructure development, and organizational development initiatives.

Unaudited financial highlights from Q1 2026 include:

- Total Revenue of \$2,946,741, compared to total revenue of \$2,738,303 in Q1 2025 and \$9,598,132 in Q4 2025;
- Gross Profit of \$1,431,610, compared to gross profit of \$1,497,701 in Q1 2025 and \$4,306,631 in Q4 2025;
- Sales and Marketing expenditure of \$626,100, compared to sales and marketing expenditure of \$320,264 in Q1 2025 and \$550,840 in Q4 2025, reflecting increased investment in direct sales capabilities and growth initiatives;
- Non-Capitalized R&D expenditures of \$1,109,707, compared to non-capitalized R&D expenditures of \$850,885 in Q1 2025 and \$1,210,411 in Q4 2025, reflecting continued investment in technology, infrastructure, and AI-driven platform capabilities;

- G&A expenditures of \$231,539, compared to G&A expenditures of \$160,646 in Q1 2025 and \$179,956 in Q4 2025;
- Pre-Tax Loss of (\$814,564), compared to Pre-Tax Loss of (\$10,317) in Q1 2025 and Pre-Tax Profit of \$1,793,574 in Q4 2025, reflecting continued investment in strategic hiring, infrastructure expansion, and organizational development initiatives;
- Cash of \$3,281,795 as at March 31, 2026, compared to cash of \$3,266,294 as at March 31, 2025 and \$4,454,205 as at December 31, 2025
- Working capital of \$4,354,669 as at March 31, 2026, compared to working capital of \$4,363,231 as at March 31, 2025 and \$5,080,637 as at December 31, 2025.

“Kidoz delivered another solid quarter, reporting year-over-year revenue growth and strong momentum that led to record March revenues,” said Jason Williams, CEO of Kidoz Inc. “The quarter reflected intentional investment across sales expansion, AI infrastructure, and organizational development. These strategic investments are foundational to advancing our leadership in contextual AI and privacy-first mobile gaming advertising, and we believe they position the Company well to capitalize on the opportunities we see emerging through the balance of 2026 and beyond, although market conditions and execution factors may influence the pace and extent of those opportunities.”

“Kidoz pioneered kid-safe and privacy-compliant advertising in mobile gaming, and we believe the broader market continues to move toward contextual and privacy-first advertising approaches in response to evolving platform policies and consumer privacy expectations. Through our direct platform and contextual AI infrastructure, Kidoz enables brands to reach the full addressable audience within mobile gaming, including users who have opted out of personal data tracking.”

“Our ambition remains to build Kidoz into an AI-first technology platform and a leader in contextual intelligence and privacy-first advertising solutions within mobile gaming. During the quarter we continued implementing AI-driven operational efficiencies designed to improve scalability and long-term operating margins across the business.”

The Company continues to focus on expanding direct brand and agency relationships alongside programmatic demand opportunities within privacy-first mobile gaming environments. Prado, the Company’s broader all-ages offering, also continued to develop alongside the regulated Kidoz business.

Management believes structural industry trends remain supportive, including increasing privacy regulation, reduced availability of identity-based targeting signals, growing adoption of contextual advertising approaches, and the continued maturation of mobile gaming as a premium advertising environment for global brands.

For full details of the Company’s operations and financial results, please refer to the Securities and Exchange Commission website at www.sec.gov, the Kidoz Inc. investor website at <https://investor.kidoz.net>, or the SEDAR+ website at <https://www.sedarplus.com>.

About Kidoz Inc.

Kidoz Inc. (TSXV:KDOZ) (OTCQB:KDOZF) (www.kidoz.net) is a full-stack global advertising platform powered by contextual AI, enabling brand performance in mobile games without personal data.

Originally developed for children’s digital environments, where compliance and safety requirements are among the highest, Kidoz delivers privacy-first advertising without reliance on personal data tracking or behavioural profiling. Its technology combines proprietary SDK integrations, the Kidoz Privacy Shield, and the Kite IQ contextual AI engine to match advertising to content, environment, and geography, in alignment with COPPA, GDPR-K, Apple ATT, and global standards.

The platform supports both children’s and all-ages audiences through its Kidoz and Prado offerings, enabling brands to scale performance across the global mobile gaming ecosystem using safe, trusted, contextual, privacy-first targeting.

Google-certified and Apple-approved, Kidoz reaches a global audience across mobile apps and games and is trusted by leading global brands.

The Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for forward-looking statements. Certain information included in this press release (as well as information included in oral statements or other written statements made or to be made by the company) contains statements that are forward-looking, such as statements relating to anticipated future success of the company. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future and, accordingly, such results may differ materially from those expressed in any forward-looking statements made by or on behalf of the company. For a description of additional risks and uncertainties, please refer to the company’s filings with the Securities and Exchange Commission. Specifically, readers should read the Company’s Annual Report on Form 20-F, filed with the SEC and the Annual Financial Statements and Management Discussion & Analysis filed on SEDAR on April 29, 2026, and the prospectus filed under Rule 424(b) of the Securities Act on March 9, 2005 and the SB2 filed July 17, 2007, and the TSX Venture Exchange Listing Application for Common Shares filed on June 29, 2015 on SEDAR, for a more thorough discussion of the Company’s financial position and results of operations, together with a detailed discussion of the risk factors involved in an investment in Kidoz Inc.

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Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.