

**IDW Media Holdings, Inc.**  
A Delaware Corporation  
14144 Ventura Blvd, Suite 210  
Sherman Oaks, CA 91423

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SIC Code: 2721

**Quarterly Report**  
**For the Period Ending: 01/31/2026 (the "Reporting Period")**

As of 01/31/2026 the number of shares outstanding of our Common Stock was:

- Class B Common Stock 283,723 shares (excluding 5,193 shares of Class B common stock held in treasury)
- Class C Common Stock 5,453 shares

As of 10/31/2025 the number of shares outstanding of our Common Stock was:

- Class B Common Stock 282,088 shares (excluding 5,193 shares of Class B common stock held in treasury)
- Class C Common Stock 5,453 shares

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 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:

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:

Yes:  No:

**Item 1 Exact name of the issuer and the address of its principal executive offices.**

The name and address of the issuer’s principal executive office:

IDW Media Holdings, Inc.  
14144 Ventura Blvd, Suite 210  
Sherman Oaks, CA 91423  
(323) 433-6670  
<http://www.idwmh.com>

The name and email address of the issuer’s investor relations contact:

Davidi Jonas  
[investor.relations@idwmh.com](mailto:investor.relations@idwmh.com)

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

14144 Ventura Blvd., Suite 210, Sherman Oaks, CA 91423

**Item 2 Shares Outstanding.**

Class B Common Stock (as of January 31, 2026)

Total shares authorized:	350,000
Total shares outstanding:	283,723 shares (excluding 5,193 shares in treasury)
Number of shares in the Public Float:	115,592
Number of beneficial shareholders owning at least 100 shares:	100+
Total number of shareholders of record:	100+

Class B Common Stock (as of October 31, 2025)

Total shares authorized:	350,000
Total shares outstanding:	282,088 shares (excluding 5,193 shares in treasury)
Number of shares in the Public Float:	116,457
Number of beneficial shareholders owning at least 100 shares:	100+
Total number of shareholders of record:	100+

Class B Common Stock (as of October 31, 2024)

Total shares authorized:	350,000
Total shares outstanding:	264,052 shares (excluding 5,193 shares in treasury)
Number of shares in the Public Float:	117,590
Number of beneficial shareholders owning at least 100 shares:	100+
Total number of shareholders of record:	100+

Class C Common Stock (as of January 31, 2026, October 31, 2025, and October 31, 2024)

Total shares authorized:	25,000
Total shares outstanding:	5,453

Preferred Stock (as of January 31, 2026, October 31, 2025, and October 31, 2024)

Total shares authorized:	5,000
Total shares outstanding:	0

**Item 3 Interim Financial Statements.**

**IDW MEDIA HOLDINGS, INC.  
CONDENSED CONSOLIDATED BALANCE SHEETS**

<b>(in thousands, except per share data)</b>	<b>January 31, 2026 (unaudited)</b>	<b>October 31, 2025</b>
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 7,557	\$ 6,544
Trade accounts receivable, net	4,339	5,483
Inventory	5,725	5,859
Prepaid expenses and other current assets	2,827	2,957
<b>Total current assets</b>	<b>20,448</b>	<b>20,843</b>
<b>Non-current assets</b>		
Property and equipment, net	207	220
Operating lease right-of-use assets, net	277	325
Intangible assets, net	89	129
Goodwill	199	199
Television costs, net	1,037	1,057
Other assets	33	33
<b>Total assets</b>	<b>\$ 22,290</b>	<b>\$ 22,806</b>
<b>Liabilities and Stockholders' Equity</b>		
<b>Current liabilities:</b>		
Trade accounts payable	\$ 874	\$ 1,373
Accrued expenses	995	1,271
Deferred revenue	35	61
Operating lease obligations – current portion	194	198
<b>Total current liabilities</b>	<b>2,098</b>	<b>2,903</b>
<b>Other liabilities</b>		
Operating lease obligations – long term portion	97	144
<b>Total liabilities</b>	<b>2,195</b>	<b>3,047</b>
<b>Stockholders' equity (see Note 3):</b>		
Preferred stock, \$.01 par value; authorized shares – 5; no shares issued at January 31, 2026 and October 31, 2025	-	-
Class B common stock, \$.01 par value; authorized shares – 350; 289 and 287 shares issued and 284 and 282 shares outstanding at January 31, 2026 and October 31, 2025, respectively	3	3
Class C common stock, \$.01 par value; authorized shares – 25; 5 shares issued and outstanding at January 31, 2026 and October 31, 2025	*	*
Additional paid-in capital	110,329	110,134
Accumulated deficit	(89,041)	(89,182)
Treasury stock, at cost, consisting of 5 shares of Class B common stock at January 31, 2026 and October 31, 2025	(1,196)	(1,196)
<b>Total stockholders' equity</b>	<b>20,095</b>	<b>19,759</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 22,290</b>	<b>\$ 22,806</b>

Share data has been adjusted for all periods presented to reflect the one-for-one hundred (1:100) reverse stock split effective July 10, 2025.

\* Represents amount less than \$0.5 thousand.

See accompanying notes to condensed consolidated financial statements.

**IDW MEDIA HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(Unaudited)**

<b>(in thousands, except per share data)</b>	<b>Three Months Ended</b>	
	<b>January 31, 2026</b>	<b>January 31, 2025</b>
Revenues	\$ 5,660	\$ 5,024
Costs and expenses:		
Direct cost of revenues	3,102	2,901
Selling, general and administrative	2,413	3,329
Depreciation and amortization	65	74
Total costs and expenses	5,580	6,304
Income (loss) from operations	80	(1,280)
Interest income, net	61	75
<b>Net income (loss)</b>	<b>\$ 141</b>	<b>\$ (1,205)</b>
Basic net earnings (loss) per share (see Note 2):		
Earnings (loss) per share	\$ 0.56	\$ (5.02)
Weighted-average number of shares used in the calculation of basic earnings (loss) per share:	254	240
Diluted net earnings (loss) per share (see Note 2):		
Earnings (loss) per share	\$ 0.51	\$ (5.02)
Weighted-average number of shares used in the calculation of Diluted earnings (loss) per share:	277	240

Share data has been adjusted for all periods presented to reflect the one-for-one hundred (1:100) reverse stock split effective July 10, 2025.

See accompanying notes to condensed consolidated financial statements.

**IDW MEDIA HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
**Three Months Ended January 31, 2026 and 2025**  
**(Unaudited)**

(in thousands)	Class B Common Stock		Class C Common Stock		Additional Paid In Capital	Accumulated Deficit	Treasury Stock, at Cost		Total Stockholders' Equity
	Number of Shares	Amount	Number of Shares	Amount			Number of Shares	Amount	
Balance October 30, 2025	287	\$ 3	5	\$ *	\$ 110,134	\$ (89,182)	5	\$ (1,196)	\$ 19,759
Stock based compensation	2	-	-	-	195	-	-	-	195
Issuance of restricted stock	-	-	-	-	-	-	-	-	-
Net income	-	-	-	-	-	141	-	-	141
<b>Balance January 31, 2026</b>	<b><u>289</u></b>	<b><u>\$ 3</u></b>	<b><u>5</u></b>	<b><u>\$ *</u></b>	<b><u>\$ 110,329</u></b>	<b><u>\$ (89,041)</u></b>	<b><u>5</u></b>	<b><u>\$ (1,196)</u></b>	<b><u>\$ 20,095</u></b>
Balance October 31, 2024	269	\$ 3	5	\$ *	\$ 109,238	\$ (87,774)	5	\$ (1,196)	\$ 20,271
Stock based compensation	-	-	-	-	180	-	-	-	180
Issuance of restricted stock	*	*	-	-	*	-	-	-	*
Net loss	-	-	-	-	-	(1,205)	-	-	(1,205)
<b>Balance January 31, 2025</b>	<b><u>269</u></b>	<b><u>\$ 3</u></b>	<b><u>5</u></b>	<b><u>\$ *</u></b>	<b><u>\$ 109,418</u></b>	<b><u>\$ (88,979)</u></b>	<b><u>5</u></b>	<b><u>\$ (1,196)</u></b>	<b><u>\$ 19,246</u></b>

Share data has been adjusted for all periods presented to reflect the one-for-one hundred (1:100) reverse stock split effective July 10, 2025.

\* Represents amount less than \$0.5 thousand.

See accompanying notes to condensed consolidated financial statements.

**IDW MEDIA HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

<b>(in thousands)</b>	<b>Three Months Ended</b>	
	<b>January 31, 2026</b>	<b>January 31, 2025</b>
<b>Operating activities:</b>		
Net income (loss)	\$ 141	\$ (1,205)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Impairment of television costs	61	16
Depreciation and amortization	65	74
Allowance for credit losses	-	748
Allowance for sales returns	(40)	(47)
Stock based compensation	195	180
Non-cash lease expense	48	81
Changes in operating assets and liabilities:		
Trade accounts receivable	1,184	2,548
Inventory	134	311
Prepaid expenses and other current assets	130	(573)
Television costs	(41)	-
Operating lease obligations	(51)	(28)
Trade accounts payable	(499)	(953)
Accrued expenses	(276)	(573)
Deferred revenue	(26)	21
Net cash provided by operating activities	<u>1,025</u>	<u>599</u>
<b>Investing activities:</b>		
Capital expenditures	(12)	-
Net cash used in investing activities	<u>(12)</u>	<u>-</u>
Net increase in cash and cash equivalents	1,013	599
Cash and cash equivalents at beginning of period	6,544	7,432
<b>Cash and cash equivalents at end of period</b>	<b><u><u>\$ 7,557</u></u></b>	<b><u><u>\$ 8,031</u></u></b>

See accompanying notes to condensed consolidated financial statements.

**IDW HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED JANUARY 31, 2026 AND 2025**  
**(Unaudited)**

**Note 1—Basis of Presentation and Summary of Significant Accounting Policies**

*Overview*

IDW Media Holdings, Inc., a Delaware corporation, (“IDWMH”) together with its subsidiaries (collectively, the “Company”) is a diversified media company with operations in publishing and television entertainment. The terms “Company,” “we,” “us,” and “our” are used in this report to refer collectively to IDWMH and its subsidiaries through which various businesses are conducted.

*Basis of Presentation and Principles of Consolidation*

The accompanying unaudited condensed consolidated financial statements have been prepared by management in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information. Accordingly, they do not include all information and footnotes required by U.S. GAAP for complete financial statements. Certain information and footnote disclosures normally included in our annual consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. In the opinion of management, all adjustments (consisting principally of normal recurring accruals) considered necessary for a fair presentation have been included. Interim results of operations are not necessarily indicative of the results for the full year or for any future period. These financial statements should be read in conjunction with the annual consolidated financial statements and notes thereto which were filed with the OTC Markets Group with our Annual Report for the fiscal year ended October 31, 2025. The unaudited condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. All amounts in these unaudited condensed consolidated financial statements and notes to the unaudited condensed consolidated financial statements are reflected on a consolidated basis for all periods presented.

The Company’s fiscal year ends on October 31<sup>st</sup>. Each reference below to a fiscal year refers to the fiscal year ending in the calendar year indicated (e.g., fiscal 2025 refers to the fiscal year ended October 31, 2025).

*Use of Estimates*

The preparation of the unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues, and expenses as well as the disclosure of contingent assets and liabilities. Actual results may differ from those estimates. The Company has considered information available to it as of the date of issuance of these unaudited condensed consolidated financial statements and is not aware of any specific events or circumstances that would require an update to its estimates or judgements, or an adjustment to the carrying value of its assets or liabilities. The accounting estimates and other matters assessed include but were not limited to the allowance for credit losses, valuation of long-lived assets including intangible assets with finite useful lives and ultimate revenues for television costs, impairment of goodwill and other long-lived assets, and revenue recognition. These estimates may change as new events occur and additional information becomes available. Actual results could differ materially from these estimates.

### *Risks and Uncertainties*

Escalating conflict involving Iran presents growing risks for global shipping routes and costs, which could indirectly impact the movement of printed books and other products manufactured in China. Heightened tensions around the Strait of Hormuz, one of the world's most critical maritime chokepoints, have already increased war-risk insurance premiums and prompted some carriers to reroute vessels to avoid the region. As shipping companies adjust routes and insurers raise rates, overall ocean freight costs, fuel prices, and transit times are likely to rise across the global shipping network. For publishers relying on book manufacturing in China, these pressures could translate into higher freight expenses, longer delivery timelines, and potential disruptions to inventory planning and release schedules.

### *Segment Information*

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 280, *Segment Reporting*, establishes standards for reporting information about operating segments. Operating segments are defined as components of an enterprise about which separate discrete financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance.

The Company's chief operating decision maker is its Chief Executive Officer, who reviews the financial performance and the results of operations of the segments prepared in accordance with U.S. GAAP when making decisions about allocating resources and assessing performance of the Company (see Note 5).

The Company's principal business consists of the following segments:

- i. IDWP Publishing ("IDWP"), a publishing company that creates comic books, graphic novels and digital content through its imprints IDW, IDW Dark, IDW Crime, Top Shelf Productions and Artist's Editions; and
- ii. IDW Entertainment ("IDWE"), a production company and studio that develops, produces, and distributes content based on IDWP's original, copyrighted intellectual property ("IP") for a variety of formats including film and television, and seeks other possible opportunities for franchise expansion including role-playing games (RPGs), beverages, wearable merchandise, and casual games.

In the ordinary course of business, the Company's reportable segments seek to enter into transactions with one another. The most common types of intersegment transactions include IDWE obtaining rights to produce television series based on content created by IDWP. All intersegment transactions are eliminated in consolidation and, therefore, do not affect consolidated results.

### *Cash Equivalents*

Cash equivalents consist of liquid investments with original maturities of three months or less.

### *Trade Accounts Receivable, Net*

The Company accounts for its trade accounts receivables under ASU No. 2016-13, *Financial Instruments—Credit Losses (Topic 326)*. Trade accounts receivables are recorded at the invoiced amount and are generally unsecured as they are uncollateralized. When deemed appropriate, the Company records an allowance for credit losses to reduce receivables to their estimated net realizable value. Judgment is exercised in establishing allowances and estimates are based on the customers' payment history and liquidity, as well as current conditions that affect the collectability of the reported amount. Any amounts that were previously recognized as revenue and subsequently determined to be uncollectible are charged to provision for credit losses included in selling, general and administrative expense in the accompanying consolidated statements of operations. The Company had an allowance for credit losses of \$0 as of January 31, 2026, and October 31, 2025.

### *Inventory*

Inventory consists of IDWP's graphic novels and comic books. Inventory is stated at the lower of cost or net realizable value determined using the first in, first out method.

### *Long-Lived Assets, Including Definite-Lived Intangible Assets*

Intangible assets, which consist of licensing contracts and capitalized software, are recorded at cost, and are amortized on a straight-line basis over their contractual or estimated useful lives, whichever is shorter from 3 – 7 years.

In accordance with ASC 360, *Accounting for the Impairment or Disposal of Long-Lived Assets*, the Company tests the recoverability of its long-lived assets with finite useful lives whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Company tests for impairment based on the projected undiscounted cash flows to be derived from such assets. If the projected undiscounted future cash flows are less than the carrying value of the asset, the Company will record an impairment loss based on the difference between the estimated fair value and the carrying value of the asset. The Company generally measures fair value by considering sale prices for similar assets or by discounting estimated future cash flows from such assets using an appropriate discount rate. Cash flow projections and fair value estimates require significant estimates and assumptions by management. Should the estimates and assumptions prove to be incorrect, the Company may be required to record impairments in future periods, and such impairments could be material. There was no impairment loss of long-lived assets for the three months ended January 31, 2026, and 2025.

### *Goodwill*

Goodwill, which represents the excess of purchase prices over the fair value of net assets acquired, is carried at cost. Goodwill is not amortized; rather, it is subject to a periodic assessment for impairment by applying a fair value-based test. Goodwill is evaluated for impairment on an annual basis at a level of reporting referred to as the reporting unit, and more frequently if adverse events or changes in circumstances indicate that the asset may be impaired.

### *Television Costs*

Television costs are stated at the lower of cost less accumulated amortization or fair value. The Company evaluates impairment by the fair value of television costs at the individual level by considering expected future revenue generation, when an event or change in circumstances indicates a change in the expected revenue of the television costs or that the fair value of a film or film group may be less than unamortized costs. Television cost impairments during the three months ended January 31, 2026, and 2025 were \$61,000 and \$16,000, respectively.

IDWE's business model contemplates the regular entry into agreements for the production of its television shows. The agreements provide for the rights and obligations related to the agreement including timing, delivery, and payments. IDWE capitalizes the resulting production costs under the agreements in production cost inventory as payments are made or when the products or services are delivered.

### *Revenue Recognition when Right of Return Exists*

IDWP's book market distributors offer a right of return to retail customers with no expiration date in accordance with general industry practices. IDWP generally does not offer the right of return on the sale of comic books. Sales returns allowances represent a reserve for IDWP products that may be returned due to dating, competition or other marketing matters, or certain destruction in the field. Sales returns are generally estimated and recorded based on historical sales and returns experience and current trends that are expected to continue. As of January 31, 2026 and October 31, 2025, the Company's reserves for estimated returns were \$97,000 and \$137,000, respectively.

### *Deferred Revenue*

The Company records deferred revenue upon invoicing for contracted commitments for products and services. Revenue is recognized on the date such product or service is provided or delivered in accordance with the contract.

Recognition of deferred revenue during the three months ended January 31, 2026, and 2025 were \$57,000 and \$83,000, respectively.

### *Stock-Based Compensation*

The Company accounts for stock-based compensation granted to its employees in accordance with the fair value recognition provisions of ASC 718, *Stock Compensation*. Stock-based compensation expense is measured at the date of grant, based on the fair value of the award, and is recognized using the straight-line method over the employee's vesting period or requisite service period. Compensation for stock-based awards with vesting conditions other than service are recognized at the time that those conditions are achieved. Forfeitures are recognized as they are incurred. Stock-based compensation expenses are included in selling, general and administrative expenses.

### *Concentration Risks*

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and cash equivalents and trade accounts receivable. The Company holds cash and cash equivalents at major financial institutions, which often exceed Federal Deposit Insurance Corporation's ("FDIC") insurance limits. Historically, the Company has not experienced any losses due to such concentration of credit risk.

IDWP has one significant customer, PRH, that poses a concentration risk.

Revenues from PRH, IDWP's book and direct market distributor, represented 89.2% and 89.0% of IDW's total consolidated revenue for the three months ended January 31, 2026 and 2025, respectively. The trade receivable balances represented 91.7% and 80.7% of consolidated trade receivables at January 31, 2026 and October 31, 2025, respectively.

IDWE has no significant customers that pose a concentration risk.

### *Contingencies*

The Company accrues for loss contingencies when both (a) information available prior to issuance of the consolidated financial statements indicates that it is probable that a liability had been incurred at the date of the consolidated financial statements and (b) the amount of loss can reasonably be estimated. When the Company accrues for loss contingencies and the reasonable estimate of the loss is within a range, the Company records its best estimate within the range. When no amount within the range is a better estimate than any other amount, the Company accrues the minimum amount in the range. The Company discloses an estimated possible loss or a range of loss when it is at least reasonably possible that a loss may have been incurred. Gain contingencies are not recorded until they are realized.

### *Fair Value of Financial Instruments*

The estimated fair value of financial instruments has been determined using available market information or other appropriate valuation methodologies. However, considerable judgment is required in interpreting this data to develop estimates of fair value. Consequently, the estimates are not necessarily indicative of the amounts that could be realized or would be paid in a current market exchange.

At January 31, 2026 and October 31, 2025, the carrying value of the Company's current assets of trade accounts receivable, inventory, prepaid expenses and other current assets, trade accounts payable, accrued expenses, and deferred revenue approximated fair value because of the short period of time to maturity. At January 31, 2026 and October 31, 2025, the carrying value of the Company's operating lease obligations approximate fair value as the interest rates related to the financial instruments approximate market yields.

#### *Recently Issued Accounting Standards Not Yet Adopted*

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which enhances transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid and to improve the effectiveness of income tax disclosures. This pronouncement is effective for fiscal years beginning after December 15, 2024 and will be effective for the Company for year ending October 31, 2026. Early adoption is permitted on either a prospective or retrospective basis. The Company is in the process of determining the potential impact of adopting this guidance on its financial position, results of operations, cash flow and disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*, and in January 2025, the FASB issued ASU 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*, which clarified the effective date of ASU 2024-03. The pronouncement requires disaggregated disclosure of income statement expenses for public business entities. The ASU does not change the expense captions an entity presents on the face of the income statement, but it requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. The ASU may be applied prospectively or retrospectively and is effective for fiscal years beginning after December 15, 2026 and for the interim periods beginning after December 15, 2027. Early adoption is permitted on either a prospective or retrospective basis. The ASU is effective for the Company's fiscal year ending October 31, 2028, and for the interim period beginning November 1, 2028. The Company is currently evaluating this pronouncement and the impact it may have on its financial position, results of operations, cash flow and disclosures.

In July 2025, the FASB issued ASU No. 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606, including those assets acquired in a business combination. The practical expedient permits an entity to assume that current conditions as of the balance sheet date do not change for the remaining life of the current accounts receivable and current contract assets. The guidance becomes effective for the Company for fiscal years beginning after April 30, 2026, and interim periods within those fiscal years. Early adoption is permitted. An entity that elects the practical expedient should apply the guidance prospectively. The ASU is effective for the Company's interim period beginning November 1, 2026 and for the fiscal year ending October 31, 2027. The Company is currently evaluating this pronouncement and the impact it may have on its financial position, results of operations, cash flow and disclosures.

Management does not believe that any other recently issued, but not yet effective, accounting standard, if currently adopted, would have a material effect on the accompanying unaudited condensed consolidated financial statements.

#### **Note 2—Earnings (Loss) Per Share**

Basic earnings (loss) per common share is computed by dividing the net income (loss) allocated to common stockholders by the weighted-average number of shares of common stock outstanding during the period. For purposes of calculating diluted earnings (loss) per common share, the denominator includes both the weighted-average number of shares of common stock outstanding during the period and the number of common stock equivalents if the inclusion of such common stock equivalents is dilutive. Dilutive common stock equivalents potentially include non-vested restricted Class B common stock and stock options using the treasury stock method.

As discussed in Note 3, the Company has issued and outstanding shares of Class B common stock and Class C common stock. Because the only differences between the two classes of common stock are related primarily to voting rights, the Company has not presented earnings per share under the two-class method, as the earnings per share are the same for both Class B common stock and Class C common stock.

The Company excluded 29,073 shares of non-vested restricted Class B common stock, and options to purchase 16,081 shares of Class B common stock from the calculation of diluted loss per share for the three months ended January 31, 2025, as due to the Company's net loss during that period, the effect would have been anti-dilutive. Therefore, basic and diluted loss per share are the same for the three months ended January 31, 2025.

The following table summarizes the components of the earnings (loss) per common share calculation:

<b>(in thousands, except per share data)</b>	<b>Three Months Ended</b>	
	<b>January 31, 2026</b>	<b>January 31, 2025</b>
<u>Basic and diluted numerator</u>		
Net income (loss) for the period	\$ 141	\$ (1,205)
<u>Basic denominator</u>		
Weighted-average common stock outstanding	254	240
<u>Diluted denominator</u>		
Weighted-average common stock outstanding	254	240
Non-vested restricted Class B common stock	22	-
Options to purchase restricted Class B common stock	1	-
Total diluted denominator	277	240
Net income (loss) per common share:		
Basic	\$ 0.56	\$ (5.02)
Diluted	\$ 0.51	\$ (5.02)

### **Note 3—Equity**

#### *Voting Privileges and Protective Features*

Shares of Class B common stock and Class C common stock are identical, except for voting rights. Each holder of outstanding shares of Class B common stock is entitled to cast the number of votes equal to one tenth of the whole shares of Class B common stock held by such holder. Each holder of outstanding shares of Class C common stock is entitled to cast the number of votes equal to three times the whole shares of Class C common stock held by such holder. Each series of preferred stock, if any, are designated and issued, will have such number of shares, designations, preferences, voting powers, qualifications and special or relative rights or privileges as shall be determined by the Company's Board of Directors, which may include, among others, dividends, voting rights, and liquidation preferences.

On April 7, 2025, the Company’s Board of Directors approved a reverse stock split of the Company’s Class B Common Stock, Class C Common Stock, and Preferred Stock, which was subsequently approved by the holder of shares of Class B common stock and Class C common stock that constitute a majority of the combined voting power of the Company’s outstanding capital stock (“Majority Stockholder”) via written consent on April 8, 2025 (the “Reverse Stock Split”). The Reverse Stock Split became effective on July 10, 2025. In the Reverse Stock Split, every one hundred (100) shares of each class of stock were combined into one (1) share of the same class. Stockholders who would have been entitled to fractional shares as a result of the Reverse Stock Split received a cash payment in lieu of such fractional shares, calculated based on the fair market value of the shares as of the effective date of the Reverse Stock Split, as determined by the Board of Directors. Concurrently with consummation of the Reverse Stock Split, the Company amended and restated its Certificate of Incorporation to reduce the total number of authorized shares of all classes of capital stock from 38,000,000 to 380,000, consisting of 350,000 shares of Class B Common Stock, 25,000 shares of Class C Common Stock, and 5,000 shares of Preferred Stock, each with a par value of \$0.01 per share. The reverse stock split did not impact the total dollar value of stockholders’ equity, though the par value per share remained unchanged at \$0.01.

#### Note 4—Stock Based Compensation

##### *2019 Stock Option and Incentive Plan*

On March 14, 2019, the Company’s Board of Directors adopted the 2019 IDW Stock Option and Incentive Plan (the “2019 Incentive Plan”) to provide incentives to executive officers, employees, directors, and consultants of the Company and/or its subsidiaries originally and reserved 3,000 shares of Class B common stock for the grant of awards under the 2019 Incentive Plan, subject to adjustment. Incentives available under the 2019 Incentive Plan may include stock options, stock appreciation rights, limited stock appreciation rights, restricted stock, and deferred stock units. The number of shares reserved has been increased several times and is currently 45,500 shares. Options are generally granted with an exercise price equal to the market price of the Company’s stock at the date of grant; those options generally vest based on 3 years of continuous service and have 10-year contractual terms. As of January 31, 2026, 20,225 shares remained available to be awarded under the 2019 Incentive Plan.

On January 7, 2024, the Company issued options to its CEO to acquire 15,454 shares of its Class B common stock at a price of \$43.42 per share. The options were scheduled to become exercisable as follows: (a) 2,303 on each of January 8, 2024, January 2, 2025, January 2, 2026, January 2, 2027, January 2, 2028 and January 2, 2029 and (b) 1,636 on January 2, 2030. On February 17, 2025, the options were terminated upon agreement of the Company and the CEO.

The following table summarizes stock option activity during the three months ended January 31, 2026 and 2025.

	<u>Number of Options</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Contractual Term (in years)</u>	<u>Aggregate Intrinsic Value (in thousands)</u>
Outstanding at October 31, 2024	16,081	\$ 75.69	9.05	\$ -
<b>Outstanding at January 31, 2025</b>	<b>16,081</b>	<b>\$ 75.69</b>	<b>8.79</b>	<b>\$ -</b>
Outstanding at October 31, 2025	627	880.94	4.43	-
<b>Outstanding at January 31, 2026</b>	<b>627</b>	<b>\$ 880.94</b>	<b>4.18</b>	<b>\$ -</b>
<b>Exercisable at January 31, 2026</b>	<b>627</b>	<b>\$ 880.94</b>	<b>4.18</b>	<b>\$ -</b>

The Company’s closing share price of \$35.50 on January 31, 2026, \$40.40 on October 31, 2025, \$35.00 on January 31, 2025, and \$38.00 on October 31, 2024 were used to determine the Aggregate Intrinsic Value.

At January 31, 2026, unamortized stock compensation for stock options was \$0.

### *Restricted Stock*

The fair value of restricted shares of the Company's Class B common stock is determined based on the closing price of the Company's Class B common stock on the grant date. Share awards generally vest on a graded basis over three years of service.

A summary of the status of the Company's grants of restricted shares of Class B common stock is presented below:

	<b>Number of Non-vested Shares</b>	<b>Weighted Average Grant Date Fair Value</b>
Outstanding at October 31, 2025	23,040	\$ 53.78
Granted	1,635	37.00
Vested	(2,500)	37.00
Canceled / Forfeited	-	-
<b>Non-vested shares at January 31, 2026</b>	<b>22,175</b>	<b>\$ 54.44</b>

On January 5, 2026, the Company issued an aggregate of 1,635 restricted shares of the Company's Class B common stock to the then current independent members of the Company's Board of Directors which shares vested immediately upon grant.

Stock based compensation for stock options and restricted stock issued to employees and non-employees included in selling, general and administrative expenses was \$195,000 and \$180,000 during the three months ended January 31, 2026 and 2025, respectively.

### **Note 5—Business Segment Information**

The Company has the following reportable business segments: IDWP and IDWE.

The Company's reportable segments are distinguished by types of service, customers and methods used to provide their services. These segments reflect the way the Company evaluates its business performance and manages its operations. The chief operating decision maker ("CODM") is the Chief Executive Officer. The operating results of these business segments are regularly reviewed by the Company's chief operating decision maker. The Company evaluates the performance of its business segments based on revenue, direct costs, operating expenses, and operating income. The accounting policies of the segments are the same as the accounting policies of the Company as a whole.

The Company allocates its entire corporate overhead incurred by IDWMH to IDWP and IDWE with 95% of IDWMH costs allocated to IDWP and 5% allocated to IDWE. This allocation is based on the percentage of revenue provided by each segment.

Information on reportable segments and reconciliation to consolidated net loss is as follows:

<u>(in thousands)</u>	<u>IDWP</u>	<u>IDWE</u>	<u>Total</u>
<b>Three months ended January 31, 2026</b>			
Revenues from external customers	\$ 5,517	\$ 143	\$ 5,660
Direct cost of revenues	(2,897)	(205)	(3,102)
Selling, general and administrative	(2,204)	(14)	(2,218)
Non-cash compensation	(185)	(10)	(195)
Depreciation and amortization	(64)	(1)	(65)
Income (loss) from operations	167	(87)	80
Interest income	61	-	61
Net income (loss)	<u>228</u>	<u>(87)</u>	<u>141</u>
<b>Three months ended January 31, 2025</b>			
Revenues from external customers	\$ 4,948	\$ 76	\$ 5,024
Direct cost of revenues	(2,854)	(47)	(2,901)
Selling, general and administrative	(3,080)	(70)	(3,150)
Non-cash compensation	(170)	(9)	(179)
Depreciation and amortization	(73)	(1)	(74)
Income (loss) from operations	(1,229)	(51)	(1,280)
Interest income	75	-	75
Net loss	<u>(1,154)</u>	<u>(51)</u>	<u>(1,205)</u>

*Total Assets*

At January 31, 2026 total assets were \$12,640,000 at IDWP, \$1,090,000 at IDWE, and \$8,560,000 at IDWMH.

At October 31, 2025 total assets were \$14,520,000 at IDWP, \$1,078,000 at IDWE, and \$7,208,000 at IDWMH.

**Note 6—Trade Accounts Receivable and Deferred Revenue**

Trade accounts receivable consists of the following:

<u>(in thousands)</u>	<u>January 31, 2026</u>	<u>October 31, 2025</u>
Trade accounts receivable	\$ 4,436	\$ 5,620
Less allowance for sales returns	(97)	(137)
<b>Trade accounts receivable, net</b>	<u><b>\$ 4,339</b></u>	<u><b>\$ 5,483</b></u>

The allowance for sales returns are as follows:

<u>(in thousands)</u>	<u>Three Months Ended January 31, 2026</u>	<u>Year Ended October 31, 2025</u>
Beginning Balance	\$ (137)	\$ (187)
Charged to costs and expenses	(291)	(1,217)
Deductions from allowance	331	1,267
<b>Ending Balance</b>	<u><b>\$ (97)</b></u>	<u><b>\$ (137)</b></u>

The allowance for credit losses as a percentage of gross trade accounts receivable was 0% at January 31, 2026 and October 31, 2025.

Changes in deferred revenue consist of the following:

<b>(in thousands)</b>	<b>Three Months Ended January 31, 2026</b>	<b>Year Ended October 31, 2025</b>
Beginning Balance	\$ (61)	\$ (14)
Increases due to invoicing prior to satisfaction of performance obligations	(31)	(500)
Performance obligations satisfied during the period	57	453
<b>Ending Balance</b>	<b>\$ (35)</b>	<b>\$ (61)</b>

Contract liabilities are recorded as deferred revenue when customer payments are received in advance of the Company meeting all the revenue recognition criteria under ASC 606. Generally, the remaining performance obligations will be satisfied within twelve months after prepayment. During the three months ended January 31, 2026, changes in the deferred revenue balances were the result of net cash received for comic books prior to their on-sale date.

#### Note 7— Inventory

Inventory consists of the following:

<b>(in thousands)</b>	<b>January 31, 2026</b>	<b>October 31, 2025</b>
Work in progress	\$ 1,001	\$ 908
Finished goods	4,724	4,951
<b>Total</b>	<b>\$ 5,725</b>	<b>\$ 5,859</b>

#### Note 8—Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following:

<b>(in thousands)</b>	<b>January 31, 2026</b>	<b>October 31, 2025</b>
Royalties and deposits	\$ 2,547	\$ 2,675
Insurance	116	160
Tradeshows	59	-
Legal	23	23
Other prepaids	82	99
<b>Total</b>	<b>\$ 2,827</b>	<b>\$ 2,957</b>

### Note 9—Property and Equipment

Property and equipment consist of the following:

<b>(in thousands)</b>	<b>January 31, 2026</b>	<b>October 31, 2025</b>
Equipment	\$ 264	\$ 252
Furniture and fixtures	157	157
Leasehold improvements	188	188
Total	609	597
Less accumulated depreciation	(402)	(377)
<b>Property and equipment, net</b>	<b>\$ 207</b>	<b>\$ 220</b>

Depreciation expense totaled \$25,000 and \$27,000 for the three months ended January 31, 2026 and 2025, respectively. During the three months ended January 31, 2026, and 2025, the Company did not dispose of any gross property and equipment.

### Note 10—Intangible Assets

Intangible assets consist of the following:

<b>(in thousands)</b>	<b>Amortization Period</b>	<b>January 31, 2026</b>	<b>October 31, 2025</b>
Licensing contracts	7 years	\$ 893	\$ 893
Software	5 years	662	662
Total amortized intangible assets		1,555	1,555
Less accumulated amortization		(1,466)	(1,426)
<b>Intangible assets, net</b>		<b>\$ 89</b>	<b>\$ 129</b>

Amortization expense totaled \$40,000 and \$47,000 for the three months ended January 31, 2026 and 2025, respectively.

As of January 31, 2026, the estimated amortization expense for intangible assets for each of the succeeding two years is as follows (excludes in process intangible assets):

<b>(in thousands)</b>	
Fiscal years ending October 31:	
Rest of 2026	\$ 72
2027	17
<b>Total</b>	<b>\$ 89</b>

## Note 11—Television Costs

Television costs consist of the following:

<b>(in thousands)</b>	<b>January 31, 2026</b>	<b>October 31, 2025</b>
In-production	\$ -	\$ -
In-development	1,037	1,057
<b>Total</b>	<b><u>\$ 1,037</u></b>	<b><u>\$ 1,057</u></b>

Amortization expense for television costs is expected to be \$0 over the remaining nine months of fiscal 2026. As a result of management's periodic assessment of in development projects, \$61,000 and \$16,000 of write-offs were recorded during the three months ended January 31, 2026 and 2025, respectively.

## Note 12—Accrued Expenses

Accrued expenses consist of the following:

<b>(in thousands)</b>	<b>January 31, 2026</b>	<b>October 31, 2025</b>
Royalties	\$ 378	\$ 512
Residuals	-	17
Payroll, bonus, accrued vacation and payroll taxes	312	513
Coop advertising	156	122
Other	149	107
<b>Total</b>	<b><u>\$ 995</u></b>	<b><u>\$ 1,271</u></b>

## Note 13—Commitments

### *Lease Commitments*

The Company has leases of office space with remaining terms up to 1.5 years. Some leases include options to purchase, terminate or extend for one or more years. These extension options are included in the lease term when it is reasonably certain that the option will be exercised.

The assets and liabilities from operating leases are recognized at the commencement date based on the present value of remaining lease payments over the lease term using the Company's secured incremental borrowing rates or implicit rates, when readily determinable. Short-term leases, which have an initial term of 12 months or less, are not recorded on the balance sheet.

The Company's operating leases do not provide an implicit rate that can readily be determined. Therefore, the Company estimated its incremental borrowing rate to discount the lease payments based on information available at either the implementation date of Topic 842 or at lease commencement for leases entered thereafter.

On April 5, 2022, the Company entered into an operating lease for 3,334 square feet of general office space at 2355 Northside Drive, Suite 140, San Diego, CA pursuant to a 39-month lease that commenced on June 1, 2022. In August 2024, the Company vacated the office with the intention of reducing costs compared to the remaining costs associated with the lease. On February 11, 2025, the Company entered into a settlement agreement for \$60,000 with the Landlord and was released from all future liabilities under that lease.

On June 27, 2022, the Company entered into an operating lease for 4,734 square feet of general office space at 14144 Ventura Blvd, Suite 210, Sherman Oaks, CA pursuant to a 60-month lease that commenced on August 1, 2022. The Company pays rent of \$189,000 annually, subject to annual escalations of 3%.

On July 16, 2024, the Company entered into an operating lease for 1,012 square feet of general office space at 2831 Camino Del Rio S, Suite 203, San Diego, CA pursuant to a 24-month lease that commenced on August 1, 2024. The Company pays rent of \$29,000 annually, subject to annual escalations of 4%.

The Company's weighted-average remaining lease term relating to its operating leases is 1.45 years, with a weighted-average discount rate of 5.93% as of January 31, 2026.

The Company recognized lease expense for its operating leases of \$55,000 and \$94,000 for the three months ended January 31, 2026 and 2025, respectively. The cash paid under operating leases was \$55,000 and \$60,000 for the three months ended January 31, 2026 and 2025, respectively.

As of January 31, 2026, future minimum lease payments required under operating leases are as follows:

<b>Maturity of Lease Liability (in thousands)</b>	<b>Total</b>
Fiscal years ending October 31:	
Remainder of 2026	\$ 158
2027	146
Total minimum lease payments	<u>304</u>
Less: imputed interest	<u>(13)</u>
<b>Present value of future minimum lease payments</b>	<b><u>\$ 291</u></b>
<b>Current portion</b>	<b><u>\$ 194</u></b>
<b>Long-term portion</b>	<b><u>\$ 97</u></b>

#### Note 14—Income Taxes

The Company recorded no income tax expense for the three months ended January 31, 2026 and 2025 because the estimated annual effective tax rate was zero. In determining the estimated annual effective income tax rate, the Company analyzes various factors, including projections of the Company's annual earnings and taxing jurisdictions in which the earnings will be generated, the impact of state and local income taxes, the ability to use tax credits and net operating loss carry forwards, and available tax planning alternatives.

As of January 31, 2026, and October 31, 2025, the Company provided a full valuation allowance against its net deferred tax assets since the Company believes it is more likely than not that its deferred tax assets will not be realized.

## **Note 15—Related Party Transactions**

On April 5, 2022, the Company entered into an employment agreement with Howard Jonas which provides, among other things, the following: (i) an annual base salary of \$400,000 for a term of five years (the “Initial Term”) that was paid through the issuance of 11,050 restricted shares of Class B Common Stock based upon the value of the shares at that time, representing Howard Jonas’ base salary for the entire Initial Term; (ii) such shares to vest, contingent on Howard Jonas’ remaining in continuous service to the Company, in substantially equal amounts on April 5, 2023, April 5, 2024, April 5, 2025, April 5, 2026 and April 5, 2027; (iii) if Howard Jonas’ employment is terminated without cause (as such term is defined the Employment Agreement), or if Howard Jonas resigns for good reason (as such term is defined the Employment Agreement) or upon Howard Jonas’s death or disability (as such term is defined in the Employment Agreement) and upon other conditions set forth in the Employment Agreement, Howard Jonas will be entitled to (1) severance in the amount equal to twelve (12) months of any cash portion of his base salary; and (2) any restrictions with respect to any equity grants shall lapse, and any unvested equity grants in the Company or its subsidiaries shall vest. The Company and Howard Jonas also entered into a Restricted Stock Agreement on April 5, 2022 in connection with the issuance to him of such 11,050 restricted shares of Class B Common Stock.

On February 17, 2025, the Company issued 15,454 restricted shares of the Company’s Class B common stock to the Company’s CEO. The restricted shares vested or are scheduled to vest, contingent on the CEO’s remaining in continuous service to the Company, as follows:

- 10,818 restricted shares vested on March 31, 2025,
- 2,318 restricted shares will vest on March 31, 2026 if the Company’s reported cash flow from operations in fiscal 2025 shall equal at least 110% of the cash flow from operations reported for fiscal 2024 (or otherwise as determined by the Compensation Committee of the Board of Directors),
- 2,318 restricted shares will vest on March 31, 2027 if the Company’s reported cash flow from operations in fiscal 2026 shall equal at least 110% of the Base Cash Flow, defined as the greater of the Company’s cash flow from operations for fiscal year 2024 and fiscal year 2025.

The Company receives consulting and payroll services from an affiliate of Howard Jonas. The Company incurred \$9,000 of expenses for these services in the three months ended January 31, 2026. As of January 31, 2026, the Company owed \$9,000 to the affiliate.

## **Note 16—Subsequent Events**

The Company has evaluated subsequent events through March 12, 2026, the date on which the unaudited condensed consolidated financial statements were issued. There were no material subsequent events that require recognition or additional disclosures in these unaudited condensed consolidated financial statements.

## **Item 4 Management’s Discussion and Analysis or Plan of Operation**

The following information should be read in conjunction with accompanying unaudited condensed consolidated financial statements and the associated notes thereto of this report, and our Management’s Discussion and Analysis of Financial Condition and Results of Operations which were filed with the OTC Markets Group with our Annual Report for the fiscal year ended October 31, 2025.

### **OVERVIEW**

We were incorporated in the State of Delaware in May 2009.

In 2009, IDT Corporation, our former parent corporation, completed a tax-free spinoff of the Company through a pro rata distribution of our common stock to IDT’s stockholders.

Our Class B common stock is quoted on the OTCQB Venture Market on the OTC Markets.

Our principal businesses include:

- IDW Publishing (“IDWP”), an award-winning publisher founded in 1999, creates comic books, graphic novels and digital content through its imprints IDW, Top Shelf Productions, IDW Dark, IDW Crime, and Artist’s Editions.
- IDW Entertainment (“IDWE”) is a production company and studio that develops, produces and distributes content based on IDWP’s original, copyrighted intellectual property (“IP”) for a variety of formats including film and television, and seeks other possible opportunities for franchise expansion including role-playing games (RPGs), beverages, wearable merchandise, and casual games.

## **Business Description**

### **IDW Publishing**

There are two primary sources of the content that IDWP develops, publishes, and exploits across a range of distribution channels:

- Content that has already been successfully exploited in other media by the owners/holders of the subject intellectual property, such as Paramount (*Teenage Mutant Ninja Turtles*, *Star Trek*, *Event Horizon*, *Smile*, *Sleepy Hollow*), Sega (*Sonic*), Toho (*Godzilla*), Sanrio (*Hello Kitty*), DC Comics, and Marvel or which content is based on “celebrity” developed storylines such as *March* (story of the late Congressman Lewis’s involvement in the civil rights movement), *They Called Us Enemy* (the story of George Takei’s experience in internment camps in the US during WWII), and *It Rhymes With Takei* (the story of George Takei’s experience living and coming out as a gay man) (“Licensed Content”).
- Content that marks its debut to the consuming public via IDWP’s published products, inclusive of IDW imprints including IDW Dark, IDW Crime, and Top Shelf Productions (“Controlled Content”). Controlled Content is developed from a diverse lineup of writers and illustrators creating content across all genres and for all age groups. The creators include top-tier talent such as *New York Times* bestselling writers like Scott Snyder on *Dark Spaces: Dungeon*, Stephen Graham Jones on *Earthdivers*, and G. Willow Wilson on *The Hunger and the Dusk*, in addition to up-and-coming talent with the goal of creating the bestsellers of tomorrow. Published in 2023, *Beneath the Trees Where Nobody Sees* by Patrick Horvath, and its subsequent sequel *Beneath the Trees Where Nobody Sees: Rite of Spring*, garnered massive acclaim industry-wide, bringing new attention to IDWP’s Controlled Content. Additionally, recent titles *Spoons: The Little Spirits of Halloween* by A.J. LoCascio, *You Wish* by Jeff Victor, and *The Exorcism at 1600 Penn* by Hannah Rose May have all enjoyed success.

IDWP’s largest product group is the publication of comic book and trade paperback products, both of which are primarily distributed through four channels: (i) to comic book specialty stores (the “direct market”); (ii) to traditional retail outlets, including bookstores and mass market stores, on a returnable basis (the “book market”); (iii) direct-to-consumer sales through the Company’s website and app, and (iv) to e-book distributors (“digital publishers”). IDWP’s publications are widely available digitally through popular distributors such as Amazon, Apple iBooks, GlobalComix, Google Play, Webtoon Entertainment, Zinio, and via IDWP’s own webstore at idwpublishing.com and its own app. Through the direct market and book market, IDWP, including its imprints, sold over 3.8 million units in fiscal 2025 and is regularly recognized as one of the nation’s largest publishers in the comics & graphic novels category.

IDWP is an award-winning publisher of comic books, graphic novels, and art books through its IDW, Top Shelf Productions, IDW Dark, and IDW Crime imprints. Founded in 1999, it has a long tradition of supporting original, powerful creator-driven titles. In 2002, IDWP published *30 Days of Night* by Steve Niles and Ben Templesmith, followed by other horror titles that helped kickstart a resurgence in horror-comic publishing across the industry. Since then, IDWP has significantly diversified its publications. Patrick Horvath's *Beneath the Trees Where Nobody Sees*, Joe Hill and Gabriel Rodríguez's *Locke & Key*, Jonathan Maberry's *V Wars*, Steve Niles's *October Faction*, Beau Smith's *Wynonna Earp*, and Alan Robert's *The Beauty of Horror* adult coloring books are just a few of the thousands of award-winning titles published since its inception.

Top Shelf Productions is known for publishing graphic novels of literary significance including the #1 *New York Times* and *Washington Post* bestselling trilogy, *March*, by Congressman John Lewis, Andrew Aydin, and Nate Powell. *March* is the only graphic novel to have won the National Book Award and is one of the most taught graphic novels in schools. In July 2019, Top Shelf Productions released George Takei's graphic memoir, *They Called Us Enemy*, which debuted at #2 on the *New York Times* Paperback Nonfiction Best Sellers list and as a #1 bestseller on Amazon, and in June 2025, Top Shelf Productions released George Takei's graphic memoir, *It Rhymes with Takei*. All three titles are now perennial bestsellers and are considered three of the finest non-fiction graphic novels. Other iconic Top Shelf Productions titles include Kim Dwinell's *Surfside Girls*, Jeff Lemire's *Essex County* and *The Underwater Welder*, Hannah Templar's *Cosmoknights*, Alan Moore and Eddie Campbell's *From Hell*, Alan and Steve Moore's *The Moon and Serpent Bumper Book of Magic*, Ben Wickey's *More Weight*, and A.J. LoCascio's *Spoons: The Little Spirits of Halloween*.

In addition to its core of creator-driven franchises, IDWP partners with the owners of major licensed brands to publish many successful licensed titles, including Paramount's *Teenage Mutant Ninja Turtles* and *Star Trek*; Sega's *Sonic The Hedgehog*; Toho's *Godzilla*; Sanrio's *Hello Kitty*; Mattel's *Street Sharks*; and Viz Media's *Naruto* as a crossover with *Teenage Mutant Ninja Turtles*. These licensed titles bring with them diverse built-in audiences and build cache and retailer support for IDWP. With licensed franchises, IDWP's strategy is to focus not only on licenses that have eager, built-in fan followings, but also ongoing licensor support through other channels, such as toys, animation, and film. This strategy enables IDWP to expand its audience reach and to pursue sub-license opportunities with foreign publishers. IDWP also collaborates with other comic book publishers to co-publish certain titles, including *Batman vs. Teenage Mutant Ninja Turtles* and *Locke & Key/The Sandman Universe: Hell & Gone* (with DC Comics), *Teenage Mutant Ninja Turtles vs. Power Rangers* (with Boom Studios) and *Teenage Mutant Ninja Turtles vs. Master of the Universe* (with Dark Horse Comics, LLC).

IDW Dark, launched in October 2024, is a line of creator-owned and licensed titles focusing on horror and suspense, including Paramount's *A Quiet Place*, *Smile*, *Twilight Zone*, *Sleepy Hollow*, and *Event Horizon*, Patrick Horvath's *Beneath The Trees Where Nobody Sees: Rite Of Spring*, Hannah Rose May's *Exorcism at Buckingham Palace*, and a continuation of the popular *30 Days of Night* series.

IDW Crime, launched in January 2026 and announced by Forbes, is a new line that will be built on a dynamic mix of company-owned IP, creator-owned series, and high-profile licensed properties, allowing IDW to develop original franchises while also collaborating with top talent and iconic brands. At launch, the first slate of titles will be company-owned.

IDWP is also home to Artist's Editions, which publishes oversized deluxe hardcovers featuring scans of original art printed at the same size they were drawn with the distinctive creative nuances that make original art unique. Some of the standout Artist's Editions titles include Neal Adams' *Classic DC*, John Byrne's *X-Men*, Jim Lee's *DC Legends*, Chris Samnee's *Black Widow*, David Mazzucchelli's *Batman Year One*, and the upcoming Patrick Horvath's *Beneath the Trees Where Nobody Sees*.

Many of IDWP's titles are available worldwide through foreign licensing agreements, with over 600 titles available in approximately 60 territories and 25 languages. Penguin Random House ("PRH") serves as the exclusive worldwide distributor for all IDWP products including newly published and backlist comic book periodicals, trade collections, and graphic novels to the direct market comic shops.

To further expand and build creator-owned properties beyond publishing, IDWP works with IDWE, as well as other outside partners, to bring Creator Content franchises to television and film through licensing arrangements, as well as seeks other possible opportunities for franchise expansion including role-playing games (RPGs), beverages, wearable merchandise and casual games.

To expand its business and compete with other industry participants, IDWP continues to focus on launching new Controlled Content and Licensed Content. IDWP is expanding the reach of existing and new products through the development of specialty, library, and education markets; increased direct-to-consumer initiatives; and broadening the reach of Creator Content series through licensing opportunities.

IDWP's revenues represented 97.5% and 98.5% of our consolidated revenues in the three months ended January 31, 2026 and 2025, respectively.

## **IDW Entertainment**

IDWE was formed on September 20, 2013 to leverage Controlled Content into television series, features, and other forms of media by developing and producing original content. IDWE maintains a development slate of properties based on IDWP properties for the adult series/features marketplace and the kids, family, and animation spaces.

IDWE develops, produces, and distributes content based on IDWP's Controlled Content for a variety of formats including film and television, and seeks other possible opportunities for franchise expansion including role-playing games (RPGs), wearable merchandise, plushies, casual games, and beverages.

IDWE has developed and/or produced a number of series for television:

- *Locke & Key* premiered on Netflix on February 7, 2020. The show is based on the critically acclaimed graphic novels of the same name of Joe Hill and Gabriel Rodriguez published by IDWP. Season two premiered October 22, 2021, landing in the Top 10 on Netflix's global TV charts in over 81 countries, and season three premiered August 10, 2022 on Netflix.
- *Surfside Girls* is based on the Top Shelf graphic novel of the same name and premiered on August 19, 2022 on Apple TV+. All ten episodes of the live action kids' series premiered in over 80 countries worldwide on the Apple TV platform.
- *Wynonna Earp* aired four seasons on SyFy from 2016 to 2021, and a 90-minute scripted special in 2024 on streaming service Tubi. The show was created by Emily Andras and starred Melanie Scrofano and was based on the IDWP comics of Beau Smith of the same name. Cineflix Studios is the co-producer and global distributor for the series.
- *V Wars* debuted on Netflix on December 5, 2019. The 10-episode vampire thriller stars Ian Somerhalder and was produced by High Park Entertainment. The series was based upon Jonathan Maberry's IDWP comic book series of the same name. Some streaming rights reverted back to IDWE in 2022; as a result, we will be exploring opportunities to monetize the past season and potential opportunities to continue the story with a new partner.
- *October Faction* premiered on Netflix on January 23, 2020. The 10-episode show was based on the IDWP comics of Steve Niles and Damien Worm of the same name and was adapted by showrunner Damian Kindler and starred Tamara Taylor and J.C. MacKenzie. It was also produced by High Park Entertainment.

IDWE is in active discussion with major studios, streamers, and distributors to develop a number of properties as narrative television series and movies, with the ultimate goal of securing a greenlight to production. These titles include *Kill Lock*, *The Delicacy*, *You Wish*, *Exorcism at 1600 Penn*, and original IDW horror stories from the IDW Dark imprint.

## Business Model

While in the past, IDWE focused on television development and financing production opportunities, a broadening of our strategic goals has evolved to focus on lower risk investments as well as developing IP for feature film and podcast opportunities. As was the case with *Surfside Girls*, IDWE provided co-studio services which enabled us to utilize our studio partners' infrastructure to support the needs of productions while reducing our own risk. We have also diversified our position by acting as non-writing executive producers on current and future projects which allows us to secure fees for our services while minimizing costs.

The path to greenlighting a project can take many routes, but the two most common include internal development and partnering with established studios and streamers. For internal development, IDWE partners with established television and film talent to develop pitches based on our IP, then takes those pitches to buyers. Buyers who want to partner on IDWE's pitches will enter into a deal to commission a pilot script or feature screenplay, which will be the determining factor of a series or feature film being greenlit. In the second scenario, IDWE may option what's called clean IP (projects without any attachments or development with talent) to a buyer/production partner and develop/package a series or feature. While this scenario may require more work between IDWE and the buyer to develop a concept for adaptation, the advantage is that IDWE is doing this in tandem with the buyer or platform – guaranteeing that what is developed is strategically what they are looking for.

IDWE's revenues represented 2.5% and 1.5% of our consolidated revenues in the three months ended January 31, 2026 and 2025, respectively.

## Critical Accounting Policies and Estimates

Our unaudited condensed consolidated financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses as well as the disclosure of contingent assets and liabilities. Critical accounting policies are those that require application of management's most subjective or complex judgments, often as a result of matters that are inherently uncertain and may change in subsequent periods. Our critical accounting policies include those related to the valuation of long-lived assets including intangible assets with finite useful lives and ultimate revenues for television costs. Management bases its estimates and judgments on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. See Note 1 to the consolidated financial statements included with our Annual Report filed on January 28, 2026 for a full description of our significant accounting policies.

## Results of Operations

We evaluate the performance of our operating business segments based primarily on income (loss) from operations. Accordingly, the income and expense line items below loss from operations are only included in our discussion of the unaudited condensed consolidated results of operations.

### IDWP

(in thousands)

Three months ended January 31,	2026	2025	Change	
			\$	%
Revenues	\$ 5,517	\$ 4,948	\$ 569	11.5%
Direct cost of revenues	(2,897)	(2,854)	(43)	(1.5)%
Selling, general and administrative	(2,389)	(3,250)	861	26.5%
Depreciation and amortization	(64)	(73)	9	12.3%
Income (loss) from operations	<u>\$ 167</u>	<u>\$ (1,229)</u>	<u>\$ 1,396</u>	<u>113.6%</u>

*Revenues.* IDWP revenues increased by \$569,000 in the three months ended January 31, 2026, compared to the three months ended January 31, 2025, primarily due to increases in comic market publishing revenue of \$229,000 driven by IDW Dark titles, book market publishing revenue of \$209,000 driven by increased sales of perennial backlist titles, direct-to-consumer sales of \$30,000, licensing and royalty revenues of \$30,000, and digital sales of \$29,000, and decreased returns of \$42,000.

*Direct cost of revenues.* IDWP direct cost of revenues increased by \$43,000 in the three months ended January 31, 2026, compared to the three months ended January 31, 2025, primarily due to increases in publishing printing costs of \$139,000 associated with increased revenue, offset by decreased royalty expenses of \$59,000, licensing costs of \$31,000, and creative costs of \$6,000. Royalty expense as a percentage of sales is dependent on product and title mix as different revenue streams and titles have different royalty rates.

*Gross Margin.* IDWP gross margin increased to 47.5% for the three months ended January 31, 2026, compared to 42.3% for the three months ended January 31, 2025. The changes are primarily due to the increase in revenues and the reasons set forth in the direct cost of revenues discussion above, specifically the decrease in royalty expenses, and decrease in creative costs as a percentage of revenue.

*Selling, General and Administrative.* IDWP selling, general and administrative expenses decreased by \$861,000 in the three months ended January 31, 2026, compared to the three months ended January 31, 2025, primarily due to the bad debt of \$746,000 related to the bankruptcy of Diamond Comic Distributors in the prior year period, decreases marketing expenses of \$59,000, professional fees of \$50,000, rent and utilities of \$26,000 other net charges of \$4,000, offset by an increase in overhead allocation of \$24,000 due mostly to increased stock based compensation.

As a percentage of IDWP revenues, selling, general and administrative expenses were 43.3% in the three months ended January 31, 2026, compared to 65.7% in the three months ended January 31, 2025.

## IDWE

(in thousands)

Three months ended January 31,	2026	2025	Change	
			\$	%
Revenues	\$ 143	\$ 76	\$ 67	88.2%
Direct cost of revenues	(205)	(47)	(158)	(336.2)%
Selling, general and administrative	(24)	(79)	55	69.6%
Depreciation and amortization	(1)	(1)	-	-
Income (loss) from operations	<u>\$ (87)</u>	<u>\$ (51)</u>	<u>\$ (36)</u>	<u>(70.6)%</u>

*Revenues.* IDWE revenues increased by \$67,000 in the three months ended January 31, 2026, compared to the three months ended January 31, 2025. Revenues in three months ended January 31, 2026 consisted of optioned project revenue and *Wynonna Earp* distribution payments. Revenues in three months ended January 31, 2025 consisted of *Wynonna Earp* distribution payments.

*Direct cost of revenues.* IDWE direct cost of revenues consists primarily of residuals related to production of previous television episodes and television cost impairments.

IDWE direct cost of revenues increased by \$158,000 in the three months ended January 31, 2026, compared to the three months ended January 31, 2025. The amortized television costs for the three months ended January 31, 2026, included optioned project expenses of \$90,000, television cost impairments of \$61,000, and residuals expenses of \$54,000. The amortized television costs for the three months ended January 31, 2025, included residuals expenses of \$31,000 and television cost impairments of \$16,000.

*Gross Margin.* IDWE gross margin was (43.4%) for the three months ended January 31, 2026, compared to 38.2% for the three months ended January 31, 2025. These gross margin figures are aligned with the explanations provided for revenues and direct cost of revenues.

*Selling, General and Administrative.* IDWE selling, general and administrative expenses decreased by \$55,000 during the three months ended January 31, 2026, compared to the three months ended January 31, 2025 primarily due to decreases in salaries and benefits of \$49,000 and other net charges of \$6,000.

### Consolidated IDW Media Holdings, Inc.

(in thousands) Three months ended January 31,	2026	2025	Change	
			\$	%
Income (loss) from operations	\$ 80	\$ (1,280)	\$ 1,360	106.3%
Interest income	61	75	(14)	(18.7)%
Net income (loss)	<u>\$ 141</u>	<u>\$ (1,205)</u>	<u>\$ 1,346</u>	<u>111.7%</u>

*Income from operations.* Income from operations increased by \$1,360,000 in the three months ended January 31, 2026 compared to the three months ended January 31, 2025, due to positive changes in operational performance from IDWP of \$1,419,000, offset by negative changes in operational performance from IDWE of \$34,000 and increases in corporate overhead of \$25,000. These changes are described in the separate segment analyses above.

*Interest income.* Interest income was \$61,000 in the three months ended January 31, 2026, due to interest earned on bank deposits, compared to \$75,000 in the three months ended January 31, 2025. The decrease was primarily due to lower interest rates earned on deposits.

### Liquidity and Capital Resources

#### General

At January 31, 2026, we had cash of \$7,557,000 and working capital (current assets in excess of current liabilities) of \$18,350,000.

We anticipate that our expected cash inflows from operations during the next twelve months together with our balance of cash and cash equivalents held as January 31, 2026 will be sufficient to sustain our operations for at least the twelve months following the date of this report. While the Company had negative operating cash flow in previous years, this quarter and fiscal year 2024 provided positive operating cash flow, and fiscal 2025's negative operating cash flow was primarily due to the impact of the bankruptcy of Diamond Comic Distributors. We anticipate positive operating cash flow in future years.

We satisfy our cash requirements primarily through cash provided by the Company's operating activities, as well as net cash proceeds from issuance of Class B common stock in the year ended October 31, 2024.

(in thousands)	Three months ended January 31,	
	2026	2025
<b>Cash flow provided by (used in):</b>		
Operating activities	\$ 1,025	\$ 599
Investing activities	(12)	
Financing activities	-	-
<b>Net increase in cash</b>	<u>\$ 1,013</u>	<u>\$ 599</u>

### *Operating Activities*

Cash flows provided by operating activities was \$1,025,000 for the three months ended January 31, 2026, compared to \$599,000 in the three months ended January 31, 2025. For the three months ended January 31, 2026, the net increase in cash resulted from increases in overall cash inflow due primarily to timing of customer payments and decreases in cash outflow due primarily to decreases in IDWP cost of sales expenses, and selling, general and administrative expenses. The net income for the period of \$141,000 was adjusted for non-cash items included in the determination of net income, and \$555,000 of cash inflow related to the effect of changes in operating assets and liabilities as a result of decreases to accounts receivables, inventory, and prepaid assets, and decreases in accounts payable and accrued expenses. For the three months ended January 31, 2025, the net increase in cash resulted from increases in overall cash inflow due primarily to timing of customer payments and decreases in cash outflow due primarily to decreases in IDWP and IDWE selling, general and administrative expenses.

The net loss for the period of \$1,205,000 was adjusted for non-cash items included in the determination of net loss, and \$752,000 of cash inflow related to the effect of changes in operating assets and liabilities as a result of decreases to accounts receivables and inventory, and increases in prepaid expenses, accounts payable, and accrued expenses.

### *Investing Activities*

Our capital expenditures were \$12,000 and \$0 in the three months ended January 31, 2026, and 2025, respectively.

### **Recent Accounting Pronouncements**

For a description of recently issued accounting pronouncements, including the respective dates of adoption, and expected effects on our results of operations and financial condition, see Note 1 to the unaudited condensed consolidated financial statements included in this report.

### **Changes in Trade Accounts Receivables and Allowance for Credit Losses**

Trade accounts receivable decreased to \$4,339,000 at January 31, 2026 from \$5,483,000 at October 31, 2025 principally due to the collection of prior outstanding customer balances and the cyclical nature of our business. The allowance for credit losses as a percentage of gross trade accounts receivable was 0% at January 31, 2026, and October 31, 2025.

### **Changes in Trade Accounts Payables and Accrued Expenses**

Trade accounts payables decreased to \$874,000 at January 31, 2026 from \$1,373,000 at October 31, 2025 principally due to the payment of invoices related to printing. Accrued expenses decreased to \$995,000 at January 31, 2026, from \$1,271,000 at October 31, 2025 principally due to decreases in accrued royalties as a result of decreased revenue, accrued payroll as a result of bi-weekly payroll timing, and accrued vacation due to the partial payout of prior balances.

### **Off- Balance Sheet Arrangements**

We do not have any “off-balance sheet arrangements,” as defined in relevant Securities and Exchange Commission regulations that are reasonably likely to have a current or future effect on our financial condition, results of operations, liquidity, capital expenditures or capital resources.

### **Other Sources and Uses of Resources**

Where appropriate, we evaluate strategic investments and acquisitions to complement, expand, and/or enter into new businesses. In considering acquisitions and investments, we search for opportunities to profitably grow our existing businesses, to add qualitatively to the range of businesses in our portfolio, and to achieve operational synergies. At this time, we cannot guarantee that we will be presented with acquisition opportunities that meet our return-on-investment criteria, or that our efforts to make acquisitions that meet our criteria will be successful.

*Dividends*

We have never declared or paid any cash dividends on our capital stock. The Company does not currently anticipate paying any cash dividends in the foreseeable future and is using cash flows to invest in the growth of the business.

**Item 5 Legal Proceedings.**

None

**Item 6 Defaults upon senior securities.**

None

**Item 7 Other information.**

None

**Item 8 Exhibits.**

None

**Item 9 Certifications.**

I, Davidi Jonas, certify that:

1. I have reviewed this quarterly disclosure statement of IDW Media Holdings, Inc.;
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.

Date: March 12, 2026

/s/ Davidi Jonas

Chief Executive Officer

I, Andrew DeBaker, certify that:

1. I have reviewed this quarterly disclosure statement of IDW Media Holdings, Inc.;
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.

Date: March 12, 2026

/s/ Andrew DeBaker

Chief Financial Officer

(Principal Financial Officer)