

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Form 10-K**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025  
or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission File No.: 000-50171

**Travelzoo**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)  
**590 Madison Avenue, 35th Floor**  
**New York, New York**  
(Address of principal executive offices)

**36-4415727**  
(I.R.S. employer  
identification no.)

**10022**  
(Zip code)

Registrant's telephone number, including area code: +1 (212) 516-1300

**SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:**

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	TZOO	The NASDAQ Stock Market

**SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of June 30, 2025, the aggregate market value of voting stock held by non-affiliates of the Registrant, based upon the closing sales price for the Registrant's common stock, as reported on the NASDAQ Global Select Market, was \$88,813,773.

The number of shares of the Registrant's common stock outstanding as of March 9, 2026 was 10,932,337 shares.

#### **DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the Registrant's Proxy Statement for its 2026 Annual Meeting of Stockholders are incorporated by reference in this Form 10-K in response to Part III, Items 10, 11, 12, 13, and 14.

**TRAVELZOO**

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## PART I

### Forward-Looking Statements

The information in this report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are based upon current expectations, assumptions, estimates and projections about Travelzoo and our industry. These forward-looking statements are subject to the many risks and uncertainties that exist in our operations and business environment that may cause actual results, performance or achievements of Travelzoo to be different from those expected or anticipated in the forward-looking statements. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, words such as “may”, “will”, “should”, “estimates”, “predicts”, “potential”, “continue”, “strategy”, “believes”, “anticipates”, “plans”, “expects”, “intends”, and similar expressions are intended to identify forward-looking statements. Travelzoo’s actual results and the timing of certain events could differ significantly from those anticipated in such forward-looking statements. Factors that might cause or contribute to such a discrepancy include, but are not limited to, those discussed elsewhere in this report in Part I Item 1A and the risks discussed in our other Securities and Exchange Commission (“SEC”) filings. The forward-looking statements included in this report reflect the beliefs of our management on the date of this report. Travelzoo undertakes no obligation to update publicly any forward-looking statements for any reason, even if new information becomes available or other circumstances occur in the future.

### Item 1. Business

#### Overview

Travelzoo (including its subsidiaries and affiliates, the “Company” or “we”) is a global Internet media company. We operate Travelzoo®, the club for travel enthusiasts, Jack’s Flight Club®, and Travelzoo META. We reach 30 million travelers. Club Members, who pay a membership fee, receive Club Offers negotiated and rigorously vetted by our deal experts around the globe. Our relationships with thousands of top travel suppliers—give us access to irresistible deals. Our club and its benefits are built around the lifestyle of a travel enthusiast.

Travelzoo attracts a high-quality audience of travel enthusiasts across multiple digital platforms, including email, websites, social media and mobile applications. We have over 4.7 million social media followers on Facebook, Instagram, X and WeChat and, to date, our iOS and Android mobile applications have been downloaded 8.1 million times.

Our most important products and services are the *Travelzoo* website (travelzoo.com), the *Travelzoo* iOS and Android apps, the *Top 20*® email newsletter, *Standalone* email newsletters, the *Travelzoo Network*, and *Jack’s Flight Club*®. Our *Travelzoo* website and newsletters include *Local Deals* and *Getaways* listings that allow our members to purchase vouchers for offers from local businesses such as spas, hotels and restaurants. *Jack’s Flight Club* is a subscription service that provides members with information about exceptional airfares.

Thousands of travel and local providers use our advertising and marketing services.

The Company generates revenue from advertising and commerce, membership fees, and other sources.

Advertising revenue consists primarily of (a) advertising fees paid by travel companies for the publishing of their offers on Travelzoo’s media properties, (b) commissions and revenues generated from the sale of *Getaways* vouchers and bookings on our hotel platform, and (c) publishing fees from high-quality local businesses, sale of *Local Deals* vouchers and entertainment offers. We typically recognize advertising revenues upon delivery of emails or clicks, as tracked by our internal platform or third-party platforms. We recognize revenue upon the sale of vouchers, upon notification of the amount of direct bookings or upon delivery of emails. We recognize a percentage of the face value of vouchers upon the sale of the vouchers, net of an allowance for refunds.

Membership fee revenue consists of subscription fees paid by Travelzoo and Jack’s Flight Club. Travelzoo membership has historically been free, however, on January 1, 2024, Travelzoo introduced an annual membership fee of \$40 (or local equivalent) for new members in the United States, Canada, United Kingdom and Germany, with the 2024 annual fee waived for existing members as of December 31, 2023. On January 1, 2026, we increased the annual membership fee to \$50 for new members in the United States only. For existing Club Members, the new pricing will apply from the next renewal of their membership after February 1, 2026. Jack’s Flight Club subscription options are quarterly, semi-annually, and annually. We recognize subscription revenues ratably over the respective subscription periods.

Other revenue consists of licensing fees from license agreements, as well as the retail business originally operated by Metaverse Travel Experiences LLC (“MTE”) and acquired and maintained by the Company following the acquisition of MTE.

We also license *Travelzoo* products, services and intellectual property to licensees in (a) Australia, New Zealand, and Singapore and (b) Japan and South Korea, in each case, where the Company is entitled to quarterly royalty payments based on a percentage of net revenue. The Company recognized \$68,000 and \$71,000 in royalties in 2025 and 2024, respectively. Under the licensing agreements, Travelzoo's existing members in the applicable territories continue to be owned by the Company.

The Company has four reportable operating segments: Travelzoo North America, Travelzoo Europe, Jack's Flight Club and New Initiatives. Travelzoo North America consists of the Company's operations in the U.S. and Canada. Travelzoo Europe consists of the Company's operations in France, Germany, Spain, and the UK. Jack's Flight Club consists of subscription revenue from premium members to access and receive flight deals via email or mobile applications. New Initiatives consists of Travelzoo's licensing business, Travelzoo META and MTE. For the year ended December 31, 2025, Travelzoo North America operations comprised 66% of revenues, Travelzoo Europe operations comprised 28% of revenues and Jack's Flight Club operations comprised 6% of revenues.

Our principal business office is located at 590 Madison Avenue, 35th Floor, New York, New York 10022.

As of December 31, 2025, there were 10,932,337 shares of common stock outstanding.

Ralph Bartel, who founded Travelzoo, is the sole beneficiary of the Ralph Bartel 2005 Trust, which is the controlling shareholder of Azzurro. Azzurro is the Company's largest shareholder and, as of December 31, 2025, holds approximately 33.5% of the Company's outstanding shares. Holger Bartel, the Company's Global CEO, is Ralph Bartel's brother and did not hold any of the Company's outstanding shares as of December 31, 2025.

Travelzoo is listed on the NASDAQ Global Select Market under the symbol "TZOO."

## **Our Industry**

According to the World Travel & Tourism Council (WTTC), the global Travel & Tourism industry experienced significant growth in 2025, reaching historic record-breaking levels. The global sector's total economic contribution grew about 7% year-over-year in 2025, reaching \$11.7 trillion (approximately 10% of global GDP). This figure includes direct, indirect and induced contributions to global GDP and reflects a continued recovery and expansion of travel and tourism worldwide. The WTTC forecasts that the global value of Travel & Tourism will grow by over 50% in the coming decade, expanding the industry's value, contribution to GDP and employment. The United States was revealed as the world's most powerful Travel & Tourism market, with Germany, the United Kingdom and France in the third, fifth and sixth spots, respectively.

Our mission, as the club for travel enthusiasts, is to provide our members with the highest quality information about the best travel, entertainment and local offers and to provide unique benefits designed to support the lifestyle of a travel enthusiast. Based upon this outlook for the travel industry, and our presence in the United States, Germany, the United Kingdom and France, we believe we are well positioned to continue pursuing our mission and growing our business.

## **Digital Advertising**

Digital advertising, the primary means by which we operate, has been growing continuously. According to Zenith, online advertising continues to lead as the fastest growing category of advertising. Digital channels were forecast to account for 59% of total global ad spend in 2025, reflecting annual growth of about 6.8%. Zenith projected that, going forward, digital advertising would keep expanding its share. Although traditional media outlets such as print (magazines and newspapers), television and radio continue to be another medium for travel, entertainment and local providers to advertise offers, the percentage spent on advertising in these traditional media outlets has been decreasing.

We believe that several factors are motivating and will continue to motivate travel, entertainment and local providers to focus a majority of their spending on the digital advertising of offers:

- *Digital Media Is Consumers' Preferred Information Source.* Market research shows that digital media formats are consumers' preferred information source for travel.
- *Broad and Timely Audience Reach.* With a majority of consumers researching, shopping and transacting on their mobile devices, tablets and computers on a daily basis, we believe digital advertising is the most effective way for businesses to quickly provide relevant information and enter into a consumer's decision set.
- *Other Benefits of Digital Advertising.* Other benefits to advertisers of digital compared to traditional media include more precise audience targeting, real-time listings, real-time updates and performance tracking. Digital media also allows advertisers to advertise their sales and specials in a fast, flexible, and cost-effective manner.

We believe that travel, entertainment and local businesses often face the challenge of being able to quickly and effectively market and sell their excess inventory (i.e., airline seats, hotel rooms, cruise cabins, theater seats, spa appointments

or restaurant seats that are likely to be unfilled) and, therefore, need a fast, flexible, and cost-effective solution for marketing excess inventory. The solution must be fast because such travel-related services (e.g., flash sales, mistake fares or rates, etc.) are a quickly expiring commodity. The solution must be flexible because the demand for excess inventory is difficult to forecast. The marketing must be cost-effective because excess inventory is often sold at highly discounted prices, which lowers margins.

In recent years, digital advertising has shifted towards social media. Social media ad spend continues to grow strongly, reaching approximately \$247 billion in 2024, according to WARC Media. This represented a significant year-on-year increase of 14.3%. Key drivers of the spend in 2024 were Meta, which accounted for roughly 63% of the total global social spend, and formats like TikTok and Instagram Reels (video), which saw explosive growth, with social video spend rising by 20% as brands shifted towards short-form engagement. While email marketing still outperforms social media in conversions and return-on-investment, social media can be better for brand awareness, product discovery and broad audience engagement (e.g., around 51% of consumers say they discover new products through social ads). Companies are increasingly viewing social platforms as core advertising channels.

While we have always had a strong presence on social media and offered advertising opportunities to our partners via various channels, we believe it is important to note the shift towards social media and the importance to provide a multi-channel solution to clients and partners that includes comprehensive social media support, in addition to traditional digital advertising channels. We also note the importance of switching formats to video and supporting video throughout the Travelzoo user experience (acquisition, membership, etc.). This has become an integral priority and focus for us.

### **Subscription Services**

Historically, Travelzoo has provided free membership for consumers, while generating revenue from advertising fees and commissions. Upon the acquisition of 60% of Jack's Flight Club in 2020, we entered the market for paid subscription services, adding another revenue stream to our business. Beginning in 2024, new Travelzoo members are charged an annual fee of \$40 (or similar amount in their local currency), with the 2024 annual fee waived for existing members as of December 31, 2023. In 2025, we began to increase the number of Club Members significantly and see positive adoption rates for the paid membership, however, we cannot yet predict whether this will continue at the same or a different rate. On January 1, 2026, we increased the annual membership fee for Travelzoo members in the United States to \$50 for new members. For existing members, the new pricing will apply from the next renewal of their membership after February 1, 2026. We are investing in acquiring new Club Members, so long as the return and efficiencies are attractive. We believe that we are currently able to achieve an attractive return on investment (ROI) and payback.

### **Metaverse**

In 2023 we launched Travelzoo META to extend the range of travel, entertainment and local experiences we offer to consumers to the Metaverse. According to Precedence Research, the U.S. Metaverse market in 2025 is estimated at approximately \$32 billion of revenue. The market is anticipated to grow rapidly and is forecasted to reach \$395 billion by 2034. The Metaverse offers experiences that can be immersive and provide social features, enabling consumers to virtually travel geographically and through space and time. Travelzoo META is exploring options to further develop its service and offerings, including leveraging the capabilities of MTE, which we acquired in December, 2022. We plan to include Metaverse travel experiences as a benefit of Travelzoo club membership in 2026, allowing us to utilize and leverage all we have learned and developed over the past few years for Travelzoo META for the benefit of our Club Members.

## Our Products and Services

The following table presents an overview of our products and services:

Product	Content	Publication Schedule	Reach/Usage*	Advertiser Benefits	Consumer Benefits
<i>Travelzoo website</i>	Website available in the U.S., Canada, France, Germany, Spain, and the U.K., as well as via licensees in Australia and Japan, listing thousands of outstanding offers from more than 5,000 travel, entertainment and local businesses	24/7		Broad reach, sustained exposure, targeted placements by destination and travel segment	24/7 access to offers, ability to search and browse by destination or keyword
<i>Travelzoo Newsletters</i>	Including the <i>Travelzoo Top 20</i> and <i>Standalone emails</i>		26.0 million travelers		
<i>Travelzoo Top 20</i>	Popular email newsletter listing 20 of the week's most outstanding offers	Weekly		Mass "push" advertising vehicle to quickly stimulate incremental travel and entertainment purchases	Weekly access to 20 outstanding, handpicked offers chosen by our internal deal experts from among thousands
<i>Standalone emails</i>	Regionally targeted email newsletter service, usually with a single newsworthy travel and entertainment offer, which can include <i>Local Deals</i> and <i>Getaways</i> offers	As needed		Regional targeting, 100% share of voice for advertiser, flexible publication schedule	Daily travel and local offers and ideas
<i>Travelzoo Network</i>	A network of third-party websites that list outstanding offers published by Travelzoo	24/7	Over 500 third-party websites	Drives qualified users with substantial distribution beyond the Travelzoo audience	Contextually relevant travel offers that have been handpicked and professionally reviewed by our internal experts
<i>Travelzoo mobile applications</i>	iOS and Android applications that allow users to discover the best travel, entertainment and local offers	On-demand	8.1 million downloads	Allows travel, entertainment and local offers advertisers to reach our audience that is on the go	24/7 access to travel, entertainment and local offers for consumers that are on the go
<i>Jack's Flight Club website</i>	Website available in the U.S, U.K., Germany, Netherlands, Luxembourg, Norway, Sweden, Denmark, Belgium, listing up to date exceptional airfares to members	24/7	470,000 visitors per month	N/A	24/7 access to alerts, travel advice and guides. Ability to change user settings
<i>Jack's Flight Club mobile application</i>	App available in the U.S, U.K., Germany, Netherlands, Luxembourg, Norway, Sweden, Denmark, Belgium, listing up to date exceptional airfares to members	1–12 per week depending on membership level and region	147,905 sessions per month	N/A	Changed to benefit of premium (paying) members only in Q4 2025
<i>Jack's Flight Club newsletters</i>	Regionally targeted newsletter alerting of outstanding cheap airfares and including articles about travel destinations and other newsworthy travel content. Newsletter includes paid and unpaid subscribers	1–12 per week depending on membership level and region	2.5 million emails per week	N/A	Breaking news flight offers and travel advice

\* For *Travelzoo website*, *Top 20*, *Standalone emails* (which can include *Local Deals* and *Getaways*), *Travelzoo Network* and *Travelzoo mobile applications*, reach/usage information is based on internal Travelzoo statistics as of December 31, 2025. For *Jack's Flight Club*, reach/usage information is based on data from Google Analytics and internal Jack's Flight Club statistics from the Jack's Flight Club CRM platform as of December 31, 2025.

## Our Audience

With reach of 30 million travelers worldwide, we attract a high-quality audience of travel enthusiasts. We inform our audience about compelling offers sourced from over 5,000 providers worldwide. These offers are published by Travelzoo and its licensees in multiple languages across multiple digital channels and platforms, including email, websites, social media and mobile applications. We publish offers on *Travelzoo* and *Jack's Flight Club* branded digital properties, as well as on third-party media properties via the *Travelzoo Network*, across which we syndicate our offer content.

## Benefits to Travel, Entertainment and Local Businesses

Through the quality of our offer content and longstanding trust established in our brand, we attract an active and engaged audience of enthusiasts who our advertisers benefit from accessing. Key features of our services for advertisers include:

- *Real-Time Offer Listings and Updates.* Our services enable clients to advertise special offers on a real-time basis and update offers as their supply and demand conditions change.
- *Real-Time Performance Reports.* We provide clients with real-time tracking of the performance of their advertising campaigns, helping them to optimize their spend, by removing or updating unsuccessful listings and further promoting successful listings.
- *Global Reach.* We offer clients access to our large membership base of over 30 million consumers across the globe.
- *Audience Targeting.* As members submit their zip codes upon joining Travelzoo services, we are able to present offers to specific audiences that advertisers may perceive as geographically desirable, as well as presenting our *Local Deals* to members who live or work near those local businesses.
- *Multichannel Approach.* While email continues to be our primary channel, we pursue a multichannel approach with presence on various social media channels, native ad networks, affiliate networks, paid search and more. This allows advertisers' offers to reach Travelzoo members where they are spending most of their time online.

## Benefits to Consumers

*Travelzoo* membership provides consumers with a valuable array of benefits that we believe distinguish our products and services from other providers and engender strong brand equity and loyalty. Key features of our products and services include:

- *Curation of Carefully Selected Offers From Extensive Array of Providers.* Through our multiple digital products and services, Travelzoo alerts our members to current offers carefully selected by our deal experts from more than 5,000 travel, entertainment and local providers. This saves consumers time when searching for deals, sales and specials.
- *Best-in-Market Offers.* Travelzoo experts research, negotiate and ensure that offers advertised through Travelzoo meet our high standards for quality and value, giving members peace of mind that they are best-in-market. Leveraging our scale, operating history and strong relationships, we believe the offers we source are generally superior to opportunities members may otherwise access individually or through other providers.
- *Current Information.* Compared to print, TV or radio advertisements, we provide consumers more current information, since our technology enables suppliers to update their listings on a real-time basis.
- *Reliable Information.* We operate a Test Booking Center to check the availability of travel, entertainment and local deals before publishing offers to our members.
- *Dedicated Member Service.* Travelzoo provides members with dedicated member service which we manage, through telephone and email. Our dedicated service team enriches our value proposition for members and reinforces a positive brand association for Travelzoo and our advertiser clients.

Club membership has also allowed us to add additional benefits for our members, which empowers them to live the lifestyle of a travel enthusiast. These benefits include, but are not limited to:

- *Club Offers:* With a true closed user group of highly engaged members, Travelzoo is able to use its negotiating leverage to secure high-quality offers from high-end partners, available only to Club Members. These offers are available only on Travelzoo and cannot be found on other travel sites.
- *Member Days:* 4x per year, Travelzoo provides access to Club Members only to 48-hour sale events.
- *Lounge Access for Delayed Flights:* Club Members receive complimentary lounge access in case of a flight delay of one hour or more. This benefit is available for up to three companions and no matter where the Club Member booked the flight.

- *Travel Enthusiast Hotline™*: Travelzoo now provides specialized travel assistance services (covering medical, personal and logistical needs) in partnership with Allianz Partners. These services provide support for Club Members whenever and wherever they are traveling.

Jack's Flight Club's flight alert newsletters provide members with the best airfares for their chosen departure airports, as sourced by our expert team of flight finders, utilizing technology to search thousands of data points each day and meeting our rigorous quality standards. To maintain their independence, flight alerts are not sponsored by third parties and Jack's Flight Club does not receive any commissions or payments for content published within the flight alerts.

### **Advertisers**

As of December 31, 2025, our advertiser base included more than 5,000 travel, entertainment and local providers, including airlines, hotels, cruise lines, vacations packagers, tour operators, destinations, car rental companies, travel agents, theater and performing arts groups, restaurants, spas, and activity companies.

As discussed in Note 11—*Segment Reporting and Significant Customer Information* to the accompanying consolidated financial statements included in Part II, Item 8 of this report and incorporated herein by reference, as of December 31, 2025, the Company did not have any customers that accounted for more than 10% of revenues across Travelzoo North America and Travelzoo Europe. We had one customer that accounted for 10% or more of our total revenues during the years ended December 31, 2024.

### **Sales and Marketing**

As of December 31, 2025, our advertising sales force and sales support staff consisted of 65 employees worldwide. To maintain and expand relationships with partners and suppliers, we attend and sponsor industry conferences and live events, meet with existing and future prospects virtually and in person, and employ public relations to create visibility for our brand.

To promote membership to consumers, we primarily utilize digital marketing efforts. We also source members organically, by word-of-mouth and through our reputation for quality and value.

### **Technology**

We have designed our technology infrastructure to send a large volume of emails, serve a large volume of web traffic and track activity in an efficient and scalable manner.

Travelzoo's production servers are hosted by Microsoft Azure, a cloud-based computing service operated by Microsoft. Microsoft Azure's data center facilities and services include robust high availability, reliability and scalability features. We believe our arrangements with Microsoft Azure will allow us to grow without being limited by our own physical and technological capacity. Because of the design of our websites, our users are not required to download or upload large files from or to our websites, which allows us to continue increasing the number of our visitors and page views without adversely affecting our performance or requiring us to make significant additional capital expenditures.

### **Intellectual Property**

We rely on trade secret, trademark and copyright law, confidentiality agreements, and technical measures to protect our intellectual property rights. With respect to our trademarks, we maintain a portfolio of perpetual common law and federally registered trademark rights across several brands and domains relating to our business units, products, services and solutions. We claim copyright protection in our original content that is published on our websites and included in our marketing materials.

### **Regulatory Matters**

Our business is subject to a significant number of federal, state, local and international laws, rules and regulations applicable to online or digital advertising and commercial email marketing. We are also subject to laws, rules, and regulations regarding data collection, privacy and data security, consumer protection, intellectual property ownership and infringement, sweepstakes and promotions and taxation, among others. We own and operate consumer-facing websites in the various regions in which we operate and are subject to the laws, rules, and regulations of those countries as they impact our operations.

These laws, rules, and regulations, which generally are designed to regulate and prevent deceptive practices in advertising and online marketing protect individual privacy rights and prevent the misuse and unauthorized disclosure of personal information, are complex, change frequently and have tended to become more stringent over time. In addition, the application and interpretation of these laws, rules, and regulations are often uncertain, particularly in the rapidly evolving industry in which we operate.

## **Employees**

As of December 31, 2025, we had 249 employees. None of our employees are represented under collective bargaining agreements. We consider our relations with our employees to be good.

## **Access to Other Information**

We make available free of charge, on or through our Investor Relations website (ir.travelzoo.com), annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as well as proxy statements, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Information included on our website does not constitute part of this report.

## **Item 1A. Risk Factors**

*Investing in our common stock involves a high degree of risk. The business, financial condition and operating results of the Company can be affected by a number of factors, whether currently known or unknown, including but not limited to those described below, any one or more of which could, directly or indirectly, cause the Company's actual financial condition and operating results to vary materially from past, or from anticipated future, financial condition and operating results. Any or all of the risks listed below, as well as other variables affecting our operating results, in whole or in part, could materially and adversely affect our business or financial condition, which could cause the market price of our stock to decline or cause substantial volatility in our stock price, in which event the value of your common stock could decline. You should also keep these risk factors in mind when you read forward-looking statements.*

### **Risks Related to Our Financial Condition and Business Model**

*We cannot assure you that we will be profitable.*

In the year ended December 31, 2025, we generated consolidated net income of \$5 million, of which \$4.7 million income was attributable to Travelzoo. In the year ended December 31, 2024, we generated consolidated net income of \$13.7 million, of which \$13.6 million income was attributable to Travelzoo. We forecast our future expense levels based on our operating plans and our estimates of future revenues. In the future, depending on various factors, including but not limited to, market conditions, changes in the general economy and the travel industry, we may need to cut expenses to preserve profitability or, alternatively, we may find it necessary to significantly accelerate expenditures to acquire Club Members. We may also expand, upgrade and/or add technology and make investments in existing or new products that may impact our profitability. If our revenues grow at a slower rate than we anticipate or decline, or if our spending levels exceed expectations or cannot be adjusted to reflect slower growth, we may not be profitable.

*Fluctuations in our operating results may negatively impact our stock price.*

Our quarterly and annual operating results may fluctuate significantly in the future due to a variety of factors that could affect our revenues or our expenses in any particular period. You should not rely on quarter to quarter comparisons of our results of operations, as they are not considered an indication of future performance. Factors that may affect quarterly results include: level of investment in member acquisition, consumer refund rate; mismatches between resource allocation and client demand due to difficulties in predicting client demand; changes in general economic conditions (perceived or actual) that could impair consumer spending; the introduction, development, timing, competitive pricing and market acceptance of our products and services and those of our competitors; our ability to attract, hire and retain key personnel; our ability to maintain merchant and member satisfaction and continue to attract high-quality merchants and members; our ability to manage our planned growth; our ability to encourage member engagement with our products and services and convert non-paying members to Club Members; our ability to encourage renewals and retention of Club Members; and technical difficulties or system downtime.

We may significantly decrease our operating expenses in response to changes in general economic conditions, performance and/or declines in consumer demand. We may significantly increase our operating expenses for a certain period if, among other reasons, we see a unique opportunity to accelerate our acquisition of new members or engagement of existing members. If revenues fall below our expectations in any quarter and we are unable to quickly reduce our operating expenses in response, our operating results would be lower than expected and our stock price may fall.

*Expansion of product offerings may result in additional costs that exceed revenue and may trigger additional stock price volatility.*

On January 1, 2024, we moved to a paid membership model, with existing Travelzoo members grandfathered in through the end of the year. Since then, we have introduced additional Club Member benefits. In March of 2022, we announced the creation of our Metaverse business. We plan to include Metaverse travel experiences as a benefit of Travelzoo membership in 2026. The voucher product typically has a 14-day refund policy, but we may in the future alter or update the product, including refund windows, or invest in upgraded technology or new technology or products. Such product modifications and expansions may result in an increase in costs in the near-term and an increase in cost structure in the long-term, which may be in excess of incremental revenue. If we are unsuccessful in our efforts to monetize these initiatives, our business and financial results could be adversely affected. If we cannot attract members to our product offerings or our advertisers do not embrace the changes in our product offerings, our financial results could be affected. We can give no assurances that any of our product offerings will yield the benefits we expect and will not result in additional costs.

***Our voucher products may be adversely impacted by competition and changing consumer demand for vouchers.***

Our *Local Deals* and *Getaways* products include the sale of vouchers directly to consumers to advertise promotional offers provided by merchants. In some instances, we pre-purchase vouchers/hotel rooms in bulk. The voucher format may require additional investments to maintain and grow the business. Our vouchers typically have a 14-day refundability period and also have a surcharge option. However, since before 2021, we have seen a general decline in demand for voucher products. It is possible in the future that the Company may strategically move away from offering the surcharge option or vouchers in general, or the Company may invest further in voucher offerings to expand them from a product perspective. While we are continually evolving our strategy, we may not always be successful in doing so and the demand for our vouchers may decline or refund rates may increase and may adversely impact revenues.

***A change in our estimate of our refund rates with respect to unredeemed vouchers could result in a change of our reported revenues and an increase in our refund rates could reduce our liquidity and adversely affect our profitability.***

According to accounting standards for revenue recognition, revenue that is subject to refunds or returns is considered variable consideration and must be constrained so that it is probable that a significant reversal will not occur in the future as the uncertainty is resolved. To comply with this standard, we estimate future refunds and refund rates for *Local Deals* and *Getaways* vouchers utilizing a model that incorporates qualitative and quantitative factors, including but not limited to, historical refund rates based on deal category, relative risk of refund based on voucher type, and changing business and market conditions. However, accurately predicting refund rates requires judgement, and we can make no guarantees that our estimates will be correct. If our refund estimates are materially understated, it will result in a reversal of revenues previously reported and we may be required to restate our financial statements for the relevant periods, which could damage our reputation and impact our stock price.

***Impairments of goodwill, long-term investments and long-lived assets have a negative impact on our results of operations.***

We perform our impairment test annually in October unless there are events that trigger the need for an interim test. No impairment was identified in connection with the annual impairment test for 2025. The determination of fair value reflects numerous assumptions that are subject to various risks and uncertainties. It requires significant judgments and estimates and actual results could be materially different. Future events and changing market conditions may lead us to re-evaluate the assumptions reflected in the current forecast which may result in additional impairment charges, which could have a material adverse effect on our results of operations.

***Our business could be negatively affected by reliance on digital platforms and changes in search engine algorithms or other traffic-generating arrangements.***

We rely heavily on our ability to attract and convert users into Club Members through our websites and mobile apps in a cost-effective manner. We utilize digital advertising platforms (including social media), Internet search engines (through the purchase of travel-related keywords and through organic/algorithmic search) and other online sources to generate additional traffic to our websites. These platforms increasingly incorporate generative AI features, such as AI-generated answers, assistants, and recommendations, that may satisfy user intent without directing users to our websites or may favor the platform's own or affiliated offerings. In addition, changes in algorithms, ranking methodologies, user interfaces, access terms, pricing, or the placement of AI-generated content by these platforms could reduce the visibility of our services, increase member acquisition costs or decrease traffic. A significant amount of traffic is directed to our websites through our participation in pay-per-click, pay-per-acquisition and display advertising campaigns on social media channels, search engines, travel metasearch engines, and Internet media properties. Pricing and operating dynamics for these traffic sources can experience rapid change, both technically and competitively. Also, we may scale back our expenditures at any time. We could also face a significant decrease in traffic to our websites, decreased efficiencies and/or increased costs. Additionally, in some of our contracts we or the other party have agreed to bidding restrictions. If bidding restrictions are held to be illegal or otherwise unenforceable, our

performance marketing costs may increase if bidding on affected key words (especially those related to us) becomes more expensive, which could adversely affect our marketing efficiency and results of operations.

***Trends in consumer use of mobile devices continue to create challenges.***

Continued widespread use of mobile devices, smart phones, and tablets, coupled with improved web browsing functionality and development of thousands of apps available on these devices, has been driving substantial traffic and commerce activity to mobile. We have experienced a significant shift of both business and traffic to mobile. The consumer experience with mobile applications, as well as brand recognition and loyalty, has become even more important. We also rely on application marketplaces, to drive downloads. In the future, marketplaces may make changes that make access to our products more difficult.

We believe that the Travelzoo mobile experience continues to present an opportunity for growth. Further development of and investment into our mobile offering is necessary to maintain and grow our business. It is increasingly important for us to develop and maintain effective mobile websites optimized for mobile devices. If we are unable to continue to rapidly innovate and create new, user-friendly and differentiated mobile offerings and efficiently and effectively advertise and distribute on these platforms, or if our mobile applications are not downloaded and used by travel consumers, we could lose market share to existing competitors or new entrants and our future growth and results of operations could be adversely affected.

***We may have exposure to additional tax liabilities.***

As a global business, we are subject to income taxes as well as non-income based taxes, in the U.S. and various foreign jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes and other tax liabilities. Although we believe that our tax estimates are reasonable, there is no assurance that the final determination of any tax audits or tax disputes will not be different from what is reflected in our historical income tax provisions and accruals. Changes in tax laws or tax rulings may have a significant adverse impact on our effective tax rate. There could be additional changes to the corporate tax rate in the future. The interpretation and implementation of regulations, rules or guidance that have or may be adopted could have a material impact on our business.

A number of European Union member states have taken steps to unilaterally introduce a services tax. The interpretation and implementation of these taxes (especially if there is inconsistency in the application of these taxes across tax jurisdictions) could have a material adverse impact on our business, results of operations and cash flows.

We also may be subject to non-income-based taxes, such as value-added, payroll, sales, use, net worth, property and goods and services taxes, in the U.S. and various foreign jurisdictions. From time to time, the Company may be audited by tax authorities with respect to these non-income-based taxes and may have exposure to additional non-income based tax liabilities. These examinations may lead to ordinary course adjustments or proposed adjustments to our taxes or our net operating income.

The Company's use of the net operating losses ("NOLs") of MTE or the NOLs themselves may be audited by the Internal Revenue Service ("IRS") or other taxing agency. The IRS may disagree with the Company's position that the NOLs may be fully utilized, resulting in a whole or partial limitation on the use of the NOLs by the Company.

***Adverse application of state and local tax laws could have an adverse effect on our business and results of operation.***

Our expansion of our product offerings may subject us to state and local tax laws and result in additional tax liabilities. A number of jurisdictions in the U.S. historically initiated lawsuits against other online travel companies, related to, among other things, the payment of hotel occupancy and other taxes (i.e., state and local sales tax). In addition, a number of municipalities initiated audit proceedings, issued proposed tax assessments or started inquiries relating to the payment of such taxes. We operate our hotel booking platform and packaging technology as an agency model, whereby we facilitate reservations on behalf of a hotel or other supplier, therefore the payment of hotel occupancy taxes and other taxes should be the responsibility of the applicable hotel or packaging partner, which are typically responsible for remitting applicable taxes to the various tax authorities. Nevertheless, to the extent that any tax authority succeeds in asserting that we have a tax collection responsibility (for hotel bookings, packaging or any other aspects of our business, including Jack's Flight Club and/or the paid membership), or we determine that we have one, with respect to future transactions, we may collect any such additional tax obligation from our customers, which would have the effect of increasing the cost to our customers and, consequently, could make our services less competitive and reduce reservation transactions and with respect to past transactions, we could have a liability for tax that we did not collect from our customers. This could have a material adverse effect on our business and results of operations.

***Our business model may not be adaptable to a changing market.***

Our current revenue model depends primarily on advertising fees paid by travel and entertainment companies and still relies significantly on email communications with our members. If current clients/partners decide not to continue or are unable to continue advertising their offers with us and we are unable to replace them with new clients/partners or alternative revenue streams (such as, for example, from the sale of paid memberships), our business may be adversely affected. To be successful, we must provide online marketing solutions that achieve broad market acceptance by travel and entertainment companies. In addition, we must attract sufficient Internet users with attractive demographic characteristics to our products via channels, such as social media, that they are frequently using. It is possible that we will be required to further adapt our business model and products in response to changes in the online advertising market or travel industry or if our current or planned business model is not successful. If we do not adapt to these trends fully or quickly enough, we may lose revenue as consumer usage may decline. If we are not able to anticipate changes in the online advertising market or if our business model is not successful, our business could be materially adversely affected.

***If we fail to retain existing advertisers or add new advertisers, our revenue and business will be harmed.***

We depend on our ability to attract and retain advertisers that are prepared to offer products or services on compelling terms to our members. We do not generally have long-term arrangements to guarantee the availability of offers that provide attractive quality, value and variety to consumers or favorable payment terms to us. We must continue to attract and retain advertisers in order to increase revenue and maintain profitability. If new advertisers do not find our marketing and promotional services effective, or if existing advertisers do not believe that utilizing our products provides them with a long-term increase in customers, revenue or profit, they may stop making offers through our marketplace. In addition, we may experience attrition in our advertisers in the ordinary course of business resulting from several factors, including losses to competitors and advertiser closures or bankruptcies/insolvencies. We can also experience a decline in advertisers providing offers in certain destinations due to natural disasters or travel restrictions. If we are unable to attract new advertisers in numbers sufficient to grow our business, or if too many advertisers are unwilling to offer compelling terms to our members or favorable payment terms to us, we may sell less advertising, and our operating results will be adversely affected. We may not be able to add enough additional revenue to replace the lost revenue. Further, the new revenue may cost more to generate, impacting our operating results.

***If our advertisers and content do not meet the needs and expectations of our members, our business could suffer.***

Our business depends on our reputation for providing high-quality offers, and our brand and reputation may be harmed by actions taken by advertisers, partners, or merchants that are outside our control. For our *Local Deals* and *Getaways* merchants, we face exposure should merchants not fully honor the terms of the offers or the vouchers, including if the merchant were to go out of business or stop providing services for any reason. As for our travel business, although the advertiser is responsible directly to the consumer to provide the offer it advertised, our business can be adversely affected should an advertiser fail to comply with the terms of the advertised offer or provide us with misleading information about the offer that we use in our advertisements. From time to time, merchants and advertisers experience insolvency, bankruptcy or closure of their businesses and can face regulatory issues (including losing their licenses), which can result in the cancellation of services booked by consumers through the advertiser. Advertisers who fail to fulfill the travel services advertised in the promotions run by us can negatively impact our reputation, and advertisers that fail to pay for the advertisements can also negatively impact revenue growth. Moreover, any shortcomings of our advertisers or merchants, particularly with respect to an issue affecting the quality of the offer, may be attributed by our members to us, thus damaging our reputation and potentially affecting our results of operations. In addition, negative publicity and member sentiment generated as a result of fraudulent or deceptive conduct by our merchants or partners could also damage our reputation, reduce our ability to attract new members or retain our current members, and diminish the value of our brand.

***Our business relies heavily on email and other messaging services, and any restrictions on the sending of emails or messages or a decrease in member willingness to receive emails or messages could adversely affect our revenue and business.***

Our business is highly dependent upon email and other messaging services. Email offers sent by us, or on our behalf by our affiliates, generate a substantial portion of our revenue. Because of the importance of email and other messaging services, if we are unable to successfully deliver emails or messages, or if members decline to open or opt out of our emails or messages, or purchase any of our advertised offers, our revenue and profitability could be adversely affected. Laws and regulations regulating the sending of commercial emails, including those enacted in foreign jurisdictions (such as Canada, the U.K. and Europe), may affect our ability to deliver emails or messages and may also result in increased compliance costs. Further, actions by third parties to block, impose restrictions on, or charge for the delivery of emails or other messages could also materially and adversely impact our business. From time to time, Internet service providers block bulk email transmissions or otherwise experience technical difficulties that result in our inability to successfully deliver emails or other messages to third parties. In addition, our use of email and other messaging services to send communications about our website or other matters may result in legal claims against us, which if successful might limit or prohibit our ability to send emails or other messages. Any

disruption or restriction on the distribution of emails or other messages or any increase in costs would materially and adversely affect our revenue and profitability. In addition, the shift in our traffic originating from mobile devices accessing our services may decrease our members' willingness to use our services and could decrease their willingness to be an email member.

***“Cookie”, “pixel” and tracking technology laws could negatively impact the way we do business.***

Cookies, pixels and other similar tracking technologies are common tools used by thousands of websites and mobile apps to, among other things, store or gather information (e.g., remember log-on details), market to consumers and enhance the user experience. They are valuable tools to improve the customer experience and increase conversion. Many jurisdictions, including the European Union and several U.S. states, have adopted regulations governing the use of tracking technology. To the extent any such regulations require "opt-in" consent before certain tracking technology may be placed on a user's computer or mobile device, our ability to serve certain consumers in the manner we currently do might be adversely affected and our ability to continue to improve and optimize performance on our website might be impaired, either of which could negatively affect a consumer's experience using our services and our business, market share and results of operations. In addition, web and mobile browser developers, such as Apple, Microsoft or Google, have implemented and may continue to implement changes, including requiring additional user permissions, in their browser or device operating system that impair our ability to measure and improve the effectiveness of advertising on our platform. For example, Apple has its Intelligent Tracking Prevention (“ITP”) feature in its Safari browser, which blocks some or all third-party cookies by default on mobile and desktop and has become increasingly restrictive over time. Google has shifted its approach from completely phasing out third-party cookies to allowing users to make browser-level privacy choices, which could impact our advertising. These web and mobile browser developers have also implemented and may continue to implement changes and restrictions in browser or device functionality that limit our ability to communicate with or understand the identity of our members.

***Our reported reach may be higher than the actual reach and may not be representative of the number of persons who are active potential customers.***

The total reach we report may be higher than the actual reach due to multiple registrations, death/incapacity, fictitious names or email addresses not in use, or different preferences for email communications. Given the challenges inherent in identifying these individuals, we do not have a reliable system to accurately identify the true reach, and thus we rely on the reach shown in our records. In addition, the reach we report includes the total number of individuals that have completed registration through a specific date, less individuals who have fully unsubscribed. Those numbers may include individuals who do not receive our emails because our emails have been blocked or are otherwise undeliverable. As a result, the reported number should not be considered as representative of the number of persons who continue to actively consider our deals by reviewing our email offers.

***We may not be able to obtain sufficient funds to grow our business and equity or debt financing may be on adverse terms.***

For the year ended December 31, 2025, our cash and cash equivalents was \$10 million, of which \$7.8 million was held outside the U.S. in our foreign subsidiaries. As of December 31, 2025, we had negative working capital of \$10.8 million. Merchant payables was \$11.7 million as of December 31, 2025. The payable to merchants is generally due upon redemption of the voucher. The expiration dates of vouchers are through December 2026; however, these expiration dates may sometimes be extended on a case-by-case basis and final payment may not be due for up to a year after expiration. Additionally, planned investments in member acquisition require significant funds, but we believe that renewals in 2026 and beyond, as well as efficiencies we find in our acquisition activities allowing for a quick payback, should enable us to fund member acquisition with our own cash flow. However, if redemption activities accelerate, if our marketing activities are no longer efficient, if our renewal rates are lower than expected, if our business is not profitable, or if our planned targets for cash flows from operations are not met, we may need to obtain additional financing in the future. We may not be able to obtain financing on commercially reasonable terms, or at all, especially due to volatile market conditions. If additional financing is not available when required or is not available on acceptable terms, we may be unable to fund our strategic objectives, meet our payroll obligations, successfully promote our brand, develop or enhance our products and services, take advantage of business opportunities, or respond to competitive pressures, any of which could have a material adverse effect on our business. If we choose to raise funds through an equity issuance, existing stockholders may experience dilution and holders of the additional equity securities may have rights senior to existing stockholders of our common stock. If we obtain additional financing through debt securities, the terms of these arrangements could require the pledging of assets, could subject the Company to restrictive covenants or large fees, and could limit our flexibility.

***We may be sensitive to recessions or other macroeconomic circumstances or events affecting the travel industry generally.***

The demand for online advertising may be linked to the level of economic activity and employment in the U.S. and abroad. Specifically, our business is primarily dependent on the demand for online advertising from travel and entertainment companies. Events like war, political instability, international trade disputes or other conflicts (including the war in Ukraine, the

Israel-Hamas war and the recent Iran conflict), terrorist attacks, mass shooting incidents, strikes, natural disasters and extreme weather situations (e.g., hurricanes, fires, droughts and floods), plane crashes, major public health events and logistical challenges such as widespread travel disruptions may have a negative impact on the travel industry and affect travelers' behavior by limiting their ability or willingness to visit certain locations. In addition, advertisers may choose to limit advertising spend, which can adversely impact our business. Macroeconomic factors and uncertainties such as the implementation of tariffs (by the United States and other governments), rising interest rates, persistently high inflation and/or recession fears may have a negative impact on consumer behavior by reducing consumers' ability or willingness to engage in discretionary spending on travel (e.g., we have seen some reluctance from our Canadian members to travel to the United States). In turn, that could have a negative impact on demand for our services. Since the majority of our revenue is derived from members and advertisers within the United States, economic conditions in the United States have a greater impact on us. We are not in a position to evaluate the net effect of these circumstances as many of these events cannot be reliably forecasted. In the longer term, our business might be negatively affected by financial pressures on or changes to the travel industry and the economy overall.

***Our operations could be significantly hindered by the occurrence of a natural disaster or other catastrophic event.***

Our operations are susceptible to outages due to fire, floods, power loss, telecommunications failures, unexpected technical problems in the systems that power our websites and distribute our email newsletters, break-ins and similar events. Outages could cause significant interruptions of our service. In addition, despite our implementation of network security measures, and although we have moved most of our IT operations to the cloud, our servers are vulnerable to computer viruses, physical and electronic break-ins, and similar disruptions from unauthorized tampering with our systems. We do not carry business interruption insurance to compensate us for losses that may occur as a result of any of these events.

***We are subject to payments-related and fraud risks.***

We accept payments for the sale of vouchers and for membership fees using a variety of methods, including credit cards and debit cards. We pay interchange and other fees, which may increase over time, raise our operating expenses, and lower profitability. We rely on third parties to provide payment processing services and it could disrupt our business if these companies become unwilling (on favorable terms or otherwise) or unable to provide these services to us. Macroeconomic circumstances over which we have no control may result in payment processing services requiring larger deposits, imposing stricter rules or requirements, or deciding to stop working with companies related to the travel industry altogether. If we are unable to pivot to a new payment processor quickly, this could lead to periods of time where we are unable to accept or process payments from our members, impacting our ability to generate revenue. We are also subject to payment card association operating rules, certification requirements and rules governing electronic funds transfers and regulations for electronic payment services, such as PSD2 in Europe, which could change or be reinterpreted to make it difficult or impossible for us to comply. In addition, our results can be negatively impacted by purchases made using fraudulent credit cards. Because we act as the merchant of record for certain transactions, we may be held liable for accepting fraudulent credit cards on our websites as well as other payment disputes with our customers. If we have an increase of charge-backs due to the use of fraudulent credit cards on our websites, our business, results of operations and financial condition could be adversely affected. Moreover, under payment card rules and our contracts with our card processors, if there is a security breach of payment card information that we store, we could be liable to the payment card issuing banks for their cost of issuing new cards and related expenses. If we fail to comply with these rules or requirements, we may be subject to fines and higher transaction fees and lose our ability to accept credit and debit card payments, process electronic funds transfers, or facilitate other types of online payments, and our business and results of operations could be adversely affected. If one or more of these contracts are terminated and we are unable to replace them on similar terms, or at all, it could adversely affect our results of operations.

***Our financial results may be adversely affected by changes in United States generally accepted accounting principles, and we may incur significant costs to adjust our accounting systems and processes to comply.***

United States generally accepted accounting principles are subject to interpretation by the Financial Accounting Standards Board ("FASB"), the American Institute of Certified Public Accountants ("AICPA"), the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. We may need to change our accounting processes if we are required to adopt future or proposed changes in principles. The cost of these changes may negatively impact our results of operations during the transition.

***Failure to meet environmental, social, and governance ("ESG") expectations or standards or achieve the Company's voluntary ESG-related goals may adversely impact our business, reputation, brand, results of operations, and/or financial condition.***

There has been continued focus on the ESG practices of companies, including climate change, greenhouse gas emissions, diversity, equity and inclusion, human capital management, data privacy and security, supply chains (including human and civil rights issues), among other topics, by institutional, individual, and other investors, proxy advisory services, regulatory authorities, consumers, employees and other stakeholders. This has resulted in expanding and increasingly complex expectations related to reporting, diligence, and disclosure on ESG topics. In addition, companies that implement ESG practices may face pushback from ESG opponents, anti-ESG legislation or regulation, and negative public reactions. These evolving expectations and our efforts and ability to respond to and manage these issues, provide updates on them, and establish and meet appropriate goals, commitments, and targets present numerous risks, any of which may be outside of our control or could have a material adverse impact on our business. Our efforts in this area may result in a significant increase in costs and may not meet expectations, evolving standards or regulatory requirements, which may negatively impact our financial results, our reputation, our ability to attract or retain employees, or business partners, or expose us to various types of legal actions.

### **Risks Related to Our Markets and Strategy**

***Our international operations may result in operating losses and are subject to other material risks.***

We may continue to invest in marketing as well as additional employees to support our operations (including licensing arrangements) or develop new products, such as Travelzoo META or the Travelzoo club membership, which may generate operating losses. Furthermore, operating losses in certain jurisdictions may not have any recognizable tax benefit. These factors could have a material negative impact on our consolidated net income and cash flows, which could result in a significant decrease in the trading price of our common stock. There are certain additional risks inherent in doing business internationally, including: uncertainties and instability in economic and market conditions; exposure to local economic or political instability and threatened or actual acts of war or terrorism; compliance with regulatory laws and requirements relating to anti-corruption, antitrust or competition, economic sanctions, data privacy, consumer protection, employment and labor laws, health and safety, information reporting and advertising and promotions; financial risks from transactions in multiple currencies; longer payment cycles and difficulties in collecting accounts receivable; trade barriers and changes in trade regulations, including new or increased tariffs; difficulties in developing, staffing and simultaneously managing foreign operations as a result of distance, language and cultural differences; stringent local labor laws and regulations; bans on travel among or between various countries; risks related to government regulation, including changing policies in areas such as trade, travel, immigration, and healthcare, among others; and potentially adverse tax consequences. Moreover, fluctuations in currency exchange rates can impact our revenues. Foreign currency movements relative to the U.S. dollar have negatively impacted our revenues from our operations in Europe. The uncertainty and volatility in foreign exchange rates, which may differ across regions, makes it more difficult to forecast industry and consumer trends and the timing and degree of their impact on our markets and business, which in turn could adversely affect our ability to effectively manage our business and adversely affect our results of operations.

In addition, a decline in the growth rates of our international businesses could have a negative impact on our gross profit and earnings per share growth rates and, as a consequence, our stock price. Many of these regions have different customs, currencies, levels of consumer acceptance and use of the Internet for commerce, legislation, regulatory environments, tax laws and levels of political stability. International markets may have strong local competitors with established brands that may make expansion in that market difficult and costly and take more time than anticipated. In addition, compliance with legal, regulatory or tax requirements in multiple jurisdictions places demands on our time and resources, and we may nonetheless experience unforeseen and potentially adverse legal, regulatory or tax consequences. As we continue to focus on increasing the profitability of our business, we may not achieve targeted operational cost savings, improvements and efficiencies, which could affect our results of operations and financial condition. In addition, significant potential risks could impair our ability to achieve anticipated operating improvements and/or cost reductions throughout the organization, including, but not limited to, higher than anticipated costs, management distraction from ongoing business activities, failure to maintain adequate controls and procedures, and damage to our reputation and brand image. Additionally, we could also experience a loss of continuity, loss of accumulated knowledge and/or inefficiency, adverse effects on employee morale and productivity and adverse effects on our ability to attract and retain highly skilled employees. Any of these consequences could adversely impact our business.

***We may not be able to continue developing awareness of our brand names.***

We believe that continuing to build awareness of the Travelzoo, Travelzoo META, and Jack's Flight Club brand names, are critical to achieving widespread acceptance of our business. Brand recognition is a key differentiating factor among providers of online advertising opportunities. In order to maintain and build brand awareness, we must succeed in our marketing efforts. Our marketing spend is influenced by the marketing spend of our competitors as we seek to maintain and increase our brand recognition and to maintain and grow traffic to our platforms through performance marketing channels. If we fail to successfully promote and maintain our brand consistently across numerous jurisdictions and channels, incur significant expenses in promoting our brands and fail to generate a corresponding increase in revenues as a result of our efforts, or encounter legal obstacles which prevent our continued use of our brand names, our business could be materially adversely affected. Deterioration in our marketing efficiency could result in reduced revenues or revenue growth, or marketing expenses increasing faster than revenues, which would reduce margins and earnings growth.

***If we fail to retain our existing members or acquire new members, our revenue and business will be harmed.***

We spent \$9.7 million and \$2.5 million on marketing initiatives relating to member acquisition for the years ended December 31, 2025 and 2024, respectively, and expect to continue to spend significant amounts to acquire members. Our long-term success depends on our continued ability to attract, retain and engage members. We cannot assure you that the revenue from members we acquire will ultimately exceed the cost of acquiring new members. If members do not perceive our offers to be of high value and quality or if we fail to introduce new and more relevant deals, we may not be able to acquire or retain members, especially after the introduction of a paid membership. If we reduce our member acquisition costs, we cannot assure you that this will not adversely impact our ability to acquire new members. If we are unable to acquire new members who purchase our membership and deals, and renew, in numbers sufficient to grow our business, or if members cease to purchase or renew, the revenue we generate may decrease and our operating results will be adversely affected. If the level of usage by our members declines or does not grow as expected, we may suffer a decline in growth or revenue. A significant decrease in the level of usage or growth would have an adverse effect on our business, financial condition and results of operations.

***We may not be able to attract travel and entertainment companies or Internet users if we do not continually enhance and develop the content and features of our products and services.***

To remain competitive, we must continually improve the responsiveness, functionality, and features of our products and services. We may not succeed in developing features, functions, products, or services that travel and entertainment companies and Internet users find attractive, including in unsettled and untested areas like generative artificial intelligence (AI) and the Metaverse. Our current technology may not meet the future technical requirements of travel and entertainment companies. This could reduce the number of travel and entertainment companies and Internet users using our products and materially adversely affect our business. We are also continually looking to refine our product offerings. We cannot guarantee that any such refinements will be embraced by our members. It may take us longer than expected to fully realize the anticipated benefits, and those benefits may ultimately be smaller than anticipated, which could adversely affect our business. While we are striving to improve functionality, usability and design in our products, the ongoing enhancements on web and mobile and investment in packaging and other technology may not achieve the desired results we anticipate, and if unsuccessful, could result in a decline in revenues, an increase in costs, and a negative impact on our business.

***Our business and growth will suffer if we are unable to hire and retain highly skilled personnel.***

Our future success depends on our ability to attract, train, motivate, and retain highly skilled employees. We may be unable to retain our skilled employees, or attract, assimilate, and retain other highly skilled employees in the future. We have in the past experienced, and we expect to continue to experience in the future, difficulty in hiring and retaining highly skilled employees with appropriate qualifications. If we are unable to hire and retain skilled personnel, our growth may be restricted, which could adversely affect our future success. Additionally, the loss or departure of any of our key employees could materially adversely affect our ability to implement our business plan. We do not maintain key person life insurance for any member of our management team. We also expect new members to join our management team in the future. If our key management personnel are not able to work together effectively, our business could be materially adversely affected.

***Intense competition may adversely affect our ability to achieve or maintain market share and operate profitably.***

The markets for the services we offer are intensely competitive, constantly evolving and subject to rapid change, and current and new competitors can launch new services at a relatively low cost. There has also been substantial consolidation of the global travel industry and we believe this trend will continue. Many of our competitors have significantly greater financial, technical, marketing and other resources and larger advertiser bases. They may be able to research, develop and deploy new products and technologies faster than us, including developing or deploying generative AI-powered travel planning and booking tools that could reduce reliance on our services. We may not be able to keep up with these rapid changes and our ability to integrate and develop new and evolving technologies will require increased financial and personnel investments that could have an adverse impact on our operations unless and until we achieve expected return on these investments. Our future success will depend on our ability to adapt to rapidly changing technologies, to adapt our services to evolving industry standards and local preferences, and to continually innovate and improve the performance, features, and reliability of our services in response to competitive service offerings and the evolving demands of the marketplace.

Some competitors offer a variety of online services, such as food delivery, shopping, gaming or search services, many of which are used by consumers more frequently than online travel services. As a result, a competitor that has established other, more frequent, online interactions with consumers may be able to more easily acquire customers for its travel services than we can. If any of these platforms are successful in offering similar services to consumers who would otherwise use our platforms or if we are unable to offer our services to consumers within these super-apps, our member acquisition efforts could be less effective and our member acquisition costs could increase, either of which would harm our business and results of operations. We expect to face additional competition as other companies enter the online advertising market. Competition could result in reduced margins on our services, loss of market share or less use of Travelzoo by advertisers and members. If we are not able to compete effectively with current or future competitors as a result of these and other factors, our business could be materially adversely affected.

***We may not be able to access third-party technology upon which we depend.***

We use data technology and software products from third parties (such as hosting and cloud services), and technology from our vendors may not continue to be available to us on commercially reasonable terms, or at all. Our business, including Jack's Flight Club which relies on third parties for flight data, will suffer if we are unable to access technology, to gain access to additional products or to integrate new technology with our existing systems. This could hinder our existing product offerings, cause delays in our development and introduction of new services and related products or enhancements of existing products until equivalent or replacement technology can be accessed, if available, or developed internally, if feasible. If we experience these delays, our business could be materially adversely affected. We also rely on certain third-party service providers, including Global Distribution Systems and computerized central reservation systems, in connection with providing our hotel booking services and travel package offerings. Any interruption in these services and systems or deterioration in their performance could have an adverse effect on our business, brands and results of operations. Our agreements with some third-party service providers are terminable upon short notice and often do not provide recourse for service interruptions.

The implementation of new information technology, payment, enterprise resource planning, or other systems (including generative AI) could be disruptive and/or costly or we may experience difficulty successfully integrating new systems into existing systems or migrating to new systems from existing systems, any of which could adversely affect our business and results of operations. Any failure to implement or adapt to new technologies in a timely manner or at all could adversely affect our ability to compete, increase our costs or otherwise adversely affect our business, brand, market share, and results of operations.

***Acquisitions, investments, licensing arrangements and joint ventures could result in operating difficulties, dilution, and other harmful consequences that may adversely impact our business and results of operations.***

We may evaluate and consider a wide array of potential strategic transactions as part of our overall business strategy, including business combinations, acquisitions and dispositions of businesses, technologies, services, and other assets, as well as strategic investments, licensing arrangements and joint ventures. At any given time, we may be engaged in discussions or negotiations with respect to one or more of these types of transactions. Any of these transactions could be material to our financial condition and results of operations. These transactions involve significant challenges and risks, including: diversion of management time; implementation or remediation of controls, procedures, and policies at the acquired company; integration of accounting, human resource, and other systems, and coordination of various functions; transition of operations, users, and customers; failure to obtain required approvals on a timely basis, if at all, or conditions placed upon approval, which could, among other things, delay or prevent us from completing a transaction, or otherwise restrict our ability to realize the expected goals of an acquisition; the need to integrate operations across different cultures and languages and to address the particular risks associated with specific countries; failure to successfully develop the acquired business; liability for activities of the

acquired company; litigation or other claims in connection with the acquired company; challenges relating to the structure of an investment; expected and unexpected costs incurred in pursuing acquisitions; entrance into markets in which we have no prior experience and increased complexity in our business; inability to sell disposed assets or impairment of investments, goodwill and other assets acquired or divested; and failure to secure necessary financing in order to complete an applicable transaction. Future acquisitions may also require us to issue additional equity securities, spend our cash, or incur debt (and increased interest expense), liabilities and amortization expenses related to intangible assets or write-offs of goodwill, which could adversely affect our results of operations and dilute the economic and voting rights of our stockholders. Also, the anticipated benefit of an acquisition may not materialize. As licensing arrangements typically involve third parties unrelated to the Company operating under our brand name in foreign jurisdictions, we risk, among other things, damage to our reputation or brand image if such third parties are unsuccessful or behave in a way that is contrary to Travelzoo. For example, the business of MTE which Travelzoo acquired in December 2022 will require management resources to grow strategically and we cannot guarantee that MTE as part of Travelzoo will be able to source Metaverse travel experiences as successfully as anticipated.

***The pre-purchasing of vouchers and hotel inventory could create additional risks or liabilities for our business.***

We sometimes pre-purchase vouchers or hotel inventory (in the form of credit amounts, vouchers or gift cards) in bulk from clients and partners (e.g., hotel or spa partners). In those scenarios, we are not acting as the agent of the client, but rather as the principal, meaning the risk of selling the inventory is on the Company. The pre-purchased vouchers are considered “inventory” in our books until sold to and purchased by Travelzoo members. The vouchers are usually only redeemable with the client during a specified period and the Company does allow refunds in accordance with our policies. If we are unable to sell all of these pre-purchased vouchers, we may be required to impair that inventory and our operating results could be adversely affected. A significant impairment would have an adverse effect on our business, financial condition and results of operations.

***Because we recognize revenue from subscriptions for our club membership over the term of the subscription, downturns or upturns may not be immediately reflected in our operating results.***

We generally recognize membership revenue ratably over the terms of their agreements, which are typically one year. As a result, most of the revenue we report in each quarter is the result of subscription agreements entered into during previous quarters. Consequently, a decline in new or renewed subscriptions in any one quarter may not be reflected in our revenue results for that quarter. Any such decline, however, will negatively affect our revenue in future quarters. Accordingly, the effect of significant downturns or declines in conversion or retention rates, may not be fully apparent or reflected in our results of operations until future periods. Our subscription model also makes it difficult for us to rapidly increase our revenue through additional sales in any period, as revenue from new customers must be recognized over the applicable subscription term.

**Risks Related to Legal Uncertainty**

***We may become subject to shareholder lawsuits over alleged securities violations due to volatile stock price.***

Shareholder lawsuits for securities violations are often launched against companies whose stock price is volatile. Such lawsuits involving the Company would require management’s attention to defend, which may distract attention from operating the Company. In addition, even if the lawsuit is meritless, the Company may incur substantial costs to defend itself and/or settle such claims, to minimize the distraction and costs of defense. Such lawsuits could result in judgments against the Company requiring substantial payments to claimants. Such costs may materially impact our results of operations and financial condition.

***We are subject to laws and regulations worldwide, changes to which could increase the Company’s costs and individually or in the aggregate adversely affect the Company’s business.***

The Company is subject to laws and regulations affecting its domestic and international operations in a number of areas. These U.S. and foreign laws and regulations affect the Company’s activities including, but not limited to, in areas of employment, advertising, digital content, consumer protection, real estate, billing, e-commerce, promotions, intellectual property, tax, anti-corruption, foreign exchange controls and cash repatriation restrictions, data privacy, anti-competition, health and safety, and vacation packaging. Compliance with these laws, regulations and similar requirements may be onerous and expensive, and they may be inconsistent across jurisdictions, further increasing the costs of compliance and doing business. For example, Travelzoo and Jack’s Flight Club employ employees and engage contractors in various countries and therefore could be subject to misclassification or tax claims related to such arrangements or increased costs to ensure continued compliance as both companies grow and add to their workforce. In addition, the U.S. Federal Trade Commission and certain states (including California and Minnesota) have introduced or are considering laws aimed at eliminating or regulating “junk fees” that require us to include all mandatory, non-governmental fees and charges in the prices we display, even though these are set by our partners. The costs of compliance, which may arise in the future as a result of changes in these laws and regulations or in their interpretation, could individually or in the aggregate make the Company’s services less attractive, delay the introduction of new

products, or cause the Company to change or limit its business practices or incur more costs to comply or defend itself. We have implemented policies and procedures designed to ensure compliance, but there can be no assurance that our employees, contractors, partners, or agents will not violate such laws and regulations or the Company's policies and procedures. In particular, we cannot predict what, when and how the current administration in the U.S. may take actions to rollback or otherwise revise existing laws or regulations, or the ultimate impact such changes may have on our results of operations.

***The CARD Act and similar state and foreign laws may harm our Local Deals and Getaways business.***

Vouchers may be considered gift cards, gift certificates, stored value cards or prepaid cards ("gift cards") and therefore governed by, among other laws, the Credit Card Act of 2009 (the "CARD Act"), and state laws governing gift cards. Other foreign jurisdictions have similar laws in place, in particular European jurisdictions where the European E-Money Directive regulates the business of electronic money institutions. Many of these laws contain provisions governing the use of gift cards, including specific disclosure requirements and prohibitions or limitations on the use of expiration dates and the imposition of certain fees. Purported class actions against other companies have been filed claiming that coupons similar to the vouchers are subject to the CARD Act and various state laws governing gift cards and that the defendants have violated these laws by issuing the coupons with expiration dates and other restrictions. In addition, investigations by certain state attorney general offices have been launched against other companies with regards to similar issues. If similar claims are asserted against the Company in respect of the *Local Deals* and *Getaways* vouchers and are successful, we may become subject to fines and penalties and incur additional costs. In addition, if federal or state laws require that the face value of our vouchers have a minimum expiration period beyond the period desired by a merchant for its promotional program, or no expiration period, this may affect the willingness of merchants to issue vouchers in jurisdictions where these laws apply. For unredeemed vouchers, similar laws in other jurisdictions require us or merchants to honor the face value of vouchers sold, after the redemption period. Such developments may materially and adversely affect the profitability or viability of our *Local Deals* and *Getaways* vouchers.

***Certain gift card laws could require us to materially increase the estimated liability recorded in our financial statements and our operating results could be materially and adversely affected.***

Some states and foreign jurisdictions include gift cards under their unclaimed and abandoned property laws, which require companies to remit to the government the value of the unredeemed balance on the gift cards after a specified period of time (generally between 1 and 5 years) and impose certain reporting and record keeping obligations. The analysis of the potential application of the unclaimed and abandoned property laws to our vouchers is complex, involving an analysis of constitutional and statutory provisions and factual issues, including our relationships with members and merchants and our role as it relates to the issuance and delivery of a voucher. In the event that one or more jurisdictions successfully challenges our position on the application of its laws to vouchers, or if the estimates that we use in projecting the likelihood of vouchers being redeemed prove to be inaccurate, our liabilities with respect to unredeemed vouchers may be materially higher than the amounts shown in our financial statements. If we are required to materially increase the estimated liability recorded in our financial statements, our net income could be materially and adversely affected. Moreover, a successful challenge to our position could subject us to penalties or interest, which would have a further material adverse impact on our net income.

***Tax treatment of companies engaged in Internet commerce may adversely affect the use of our services and our results.***

Due to the global nature of the Internet, it is possible that various states or foreign countries might attempt to regulate our transmissions or levy sales, income or other taxes relating to our activities. New or revised international, federal, state or local tax regulations may subject us or our members to additional sales, income and other taxes. We cannot predict the effect of any attempts to impose sales, income or other taxes on commerce over the Internet. New or revised taxes and, in particular, sales taxes, Valued Added Tax and similar taxes would likely increase the cost of doing business online and decrease the attractiveness of advertising and selling goods and services over the Internet. For example, due to media sales for travel agents, clients or partners in certain states with economic nexus provisions, we could have potential tax exposure. We are continuing to evaluate states and countries where we could have such exposure, including for Jack's Flight Club. New taxes could also create significant increases in internal costs. Any of these events could have an adverse effect on our business and results.

***We may suffer liability as a result of information transmitted over the Internet and claims related to our service offerings.***

We may be sued for legal claims relating to information that is published or made available on our websites or service offerings we make available. The fact that we distribute information via email may subject us to additional potential risks, such as liabilities or claims resulting from unsolicited email or spamming, security breaches, illegal or fraudulent use of email or interruptions or delays in email or mobile service, etc. We have also seen an increase in claims relating to the Federal Wire Tap Act and "trap and trace" software in connection with the California Invasion of Privacy Act. These risks are elevated in certain jurisdictions, where our liability for such third-party actions may be less clear and we may be less protected. In addition, we

could incur significant costs in investigating and defending such claims, even if we ultimately are not found liable. We are subject to risks associated with information disseminated through our websites and applications, including content that is produced by our editorial staff and errors or omissions related to our product offerings. Such information, whether accurate or inaccurate, may result in a lawsuit, which could materially and adversely affect our business. In addition, we may acquire confidential information, including credit card information, from users of our websites and mobile applications. Our existing security measures may not be successful in preventing breaches. Outside parties may attempt to fraudulently induce disclosure of sensitive information in order to gain access to our secure networks or to take over customer accounts. A party that is able to circumvent our security systems could steal proprietary or other sensitive information. A security breach at any third-party supplier could result in negative publicity and exposure.

While we strive to use commercially acceptable means to protect personal data, no method of transmission over the Internet, or method of electronic storage, is 100% secure. Cyberattacks are increasing in frequency and sophistication and are evolving. Consequently, we may be unable to anticipate these attacks or to implement adequate preventative measures. We have experienced and responded to cyberattacks, which we believe have not had a significant impact on our systems or the security of any data maintained by us. Security breaches or the unauthorized disclosure of personal information could result in negative publicity, damage our reputation, expose us to risk of loss or litigation and possible liability and subject us to regulatory penalties and sanctions. Any failure or perceived failure by us, or our service providers, to comply with any privacy-related obligations, or any compromise of security that results in the unauthorized release or transfer of data, may result in governmental enforcement actions, litigation or public statements against the Company by consumer advocacy groups or others and could cause our members to lose trust in us, which could have an adverse effect on our business and we may incur significant legal and financial exposure.

We could also be adversely affected if legislation or regulations are expanded to require changes in our business practices or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect our business. There are a number of proposals for enactment or modification of data privacy laws pending or proposed in other jurisdictions (including various states across the U.S.), including laws and regulations which dictate whether, how and under what circumstances we can transfer, process, or receive certain data that is critical to our operations and consent-related requirements for email marketing. While we do not “sell” personal data and/or do not engage in “behavioral advertising”, as each are defined under the various laws and regulations in different jurisdictions, it is possible that these definitions may change and/or that regulators may not agree with our interpretations. Complying with these varying requirements could cause us to incur substantial costs or require us to change our business practices in a manner adverse to our business. To the extent that regulatory authorities impose fines on the Company or require changes to the Company’s business practices, the Company’s business and results of operations could be materially and adversely affected.

***Certain laws and regulations could be expanded to include Travelzoo products or services, including vouchers.***

Various federal laws, such as the Bank Secrecy Act and the USA PATRIOT Act and foreign laws and regulations, such as the European Directive on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing, impose certain anti-money laundering requirements on companies that are financial institutions or that provide financial products and services. For these purposes, financial institutions are broadly defined to include money services businesses such as providers of prepaid access cards. We do not believe that we are a financial institution subject to these regulations based, in part, upon the closed loop nature and other characteristics of vouchers and our role with respect to the distribution of vouchers to members. However, the Financial Crimes Enforcement Network previously issued final rules regarding the scope and requirements for non-bank parties involved in stored value or prepaid access cards, including obligations on sellers or providers of “prepaid access”. Under the final rule, providers of closed loop vouchers, such as those offered through the *Local Deals* and *Getaways*, would only be subject to registration if the vouchers exceed \$2,000 in total value or if they are sold in aggregate amounts exceeding \$10,000 to any single person in one day. Should these limits be exceeded, then we may be deemed either a seller or provider of prepaid access subject to regulation. In the event that we become subject to these requirements or any other anti-money laundering laws or regulations imposing obligations on us as a money services business, our regulatory compliance costs to meet these obligations would likely increase which could reduce our net income. In addition, the costs for third parties to sell vouchers would increase, which may restrict our ability to enlist third parties to issue vouchers.

Many states and certain foreign jurisdictions impose license and registration obligations on those companies engaged in the business of money transmission, with varying definitions of what constitutes money transmission. We currently believe that we are not a money transmitter, given our role and the product terms of Travelzoo vouchers or other Travelzoo products or services. However, a successful challenge to our position or expansion of laws could subject us to increased compliance costs and delay our ability to offer our products or services in certain jurisdictions, pending receipt of necessary licenses.

***Our internal control over financial reporting may not be effective which could impact our business.***

We are unable to predict if we may have future ineffective controls and procedures, if we will be able to effectively and efficiently remediate any such deficiencies and whether these deficiencies or the corresponding remediation efforts could result in a negative impact to our business. The SEC approved amendments in 2018 that raised the cap for status as a “smaller reporting company”. Travelzoo has qualified as a smaller reporting company since 2020, meaning it is not subject to the SOX 404(b) requirement of having an auditor attestation report on internal control over financial reporting. However, we may be obligated to do so if we were no longer a smaller reporting company.

***We may be unable to protect our registered trademark or other proprietary intellectual property rights and may face liability from intellectual property litigation.***

Our success depends to a significant degree upon the protection of the Travelzoo brand name. We rely on a combination of copyright and trademark laws, non-disclosure and other contractual arrangements to protect our intellectual property (“IP”) rights. The steps we have taken to protect our IP rights, however, may not always succeed in deterring misappropriation of proprietary information or preventing improper utilization of the Travelzoo brand name. We have registered the Travelzoo and Jack’s Flight Club trademarks in various jurisdictions. If we are unable to protect our rights, a key element of our strategy could be disrupted and our business could be adversely affected. We may not always be able to detect unauthorized use or take appropriate steps to enforce our IP rights. The laws of countries in which we may market our services in the future are uncertain and may afford little or no effective protection of our IP. The unauthorized reproduction or other misappropriation of our proprietary technology could enable third parties to benefit from our technology and brand name without paying us. If this were to occur, our business could be materially adversely affected. We cannot be certain that our products, content and brand names do not or will not infringe valid IP rights held by third parties. We may be subject to legal proceedings and claims from time to time relating to the IP of others in the ordinary course of business. We may incur substantial expenses in defending against these claims, regardless of their merit. Successful claims against us may result in monetary liability or a material disruption of our business. We endeavor to defend our IP rights diligently, but litigation is expensive and time consuming, and has and is likely to continue to divert managerial attention and resources from our business objectives. Resolution of claims may require us to obtain licenses to use IP rights, which may be expensive to procure.

#### **Risks Related to Investment in our Shares**

***Our stock price has been volatile historically and may continue to be volatile.***

The trading price of our common stock has been and may continue to be subject to wide fluctuations. During the twelve months ended December 31, 2025, the closing price of our common stock on NASDAQ ranged from \$6.59 to \$24.85. Our stock price may fluctuate in response to a number of factors, such as quarterly variations in operating results; announcements by us or our competitors; changes in financial estimates and recommendations by securities analysts; the operating and stock price performance of comparable companies; news reports relating to trends in our markets or general economic conditions; the level of demand for our stock, including the amount of short interest in our stock; stockholder collateral arrangements, and cash requirement on funds or stockholders that result in stockholder trades; and repurchases of our common stock, including failure to meet internal or external expectations around the timing or price of share repurchases and any reductions or discontinuances of repurchase activities. There are several products offered in the market that allow stockholders to hedge stock, pledge their stock for collateral or engage in short selling, which can negatively impact the price of our stock. The Company does not prohibit these arrangements but does have strict policies against trading with material non-public information. Our stock price may be volatile given that operating results may vary from the expectations of securities analysts and investors, which are beyond our control. In the event that our operating results fall below expectations, the trading price of our common shares may decline significantly. Moreover, fluctuations in our stock price and our price-to-earnings multiple may have made our stock attractive to hedge or day-trading investors who often shift funds into and out of stocks rapidly, exacerbating price fluctuations in either direction, particularly when viewed on a quarterly basis. In addition, the stock market in general, and the market prices for Internet-related companies in particular, have experienced volatility that often has been unrelated to the operating performance of such companies. These broad market and industry fluctuations may adversely affect the price of our stock, regardless of our operating performance. Negative market conditions could adversely affect our ability to raise additional capital or the value of our stock in connection with merger and acquisition activities.

***We have a significant shareholder.***

Ralph Bartel, who founded Travelzoo, is the sole beneficiary of the Ralph Bartel 2005 Trust, which is the controlling shareholder of Azzurro. Azzurro is the Company’s largest shareholder, and as of December 31, 2025, holds approximately 33.5% of the Company's outstanding shares. Azzurro previously held greater than 50% ownership until approximately 2018 and again from late 2022 until Q2 2023 and should Azzurro purchase additional shares or should the Company repurchase additional shares of its common stock, Azzurro’s ownership percentage could increase again, potentially above 50%, resulting

in the Company being a controlled company again. The Company already has in place applicable corporate governance processes and procedures necessary for a controlled company to ensure independence (e.g., board of directors with majority independent directors, committees comprised solely of independent directors, etc.). Holger Bartel, the Company's Global Chief Executive Officer, is Ralph Bartel's brother and did not hold any of the Company's outstanding shares as of December 31, 2025. It is possible that the interests of Azzurro may conflict with those of the Company or its other stockholders in the future. As a result of Azzurro's ownership interests and voting power, they could be in a position to influence significant corporate actions. Our other stockholders will therefore have limited influence and control on matters requiring stockholder approval and this significant ownership position could discourage others from initiating any potential merger or takeover that may otherwise be beneficial to Travelzoo stockholders.

#### **Item 1B. Unresolved Staff Comments**

None.

#### **Item 1C. Cybersecurity**

The Company, including its Board of Directors, Audit Committee, management and internal legal, information technology (IT) and finance teams, recognize the importance of safeguarding the Company's data, information systems and technology assets, as it is a critical part of the trust that we have built with our members, partners and employees.

#### **Risk Management and Strategy**

Our approach involves an annual review of our established IT systems and vendor relationships, to assess salient risks and discuss mitigation procedures, as well as the establishment of an Incident Response Team appointed to manage cybersecurity risk, which meets at least twice per year. The Incident Response Team is led by the Company's Systems Administrator and Cybersecurity Analyst, and includes employees from different functions and levels of the organization, including the Head of Engineering (most senior IT leader), the Chief Membership Officer and General Counsel (executive-level legal), the Global Head of Business Services (most senior business operations leader), as well as representatives from finance, marketing, and customer service. The team is also supported by external vendors and consultants, as needed (for example, specialized cybersecurity legal counsel, specialized IT cybersecurity agencies and Sarbanes-Oxley (SOX) compliance/audit consultants to assist with internal controls review). We also carry cyber liability insurance to compensate us for losses that may occur as a result of certain cybersecurity incidents.

The Incident Response Team follows industry best-practices for Payment card industry (PCI) compliance and cybersecurity. Starting in Q1, the team reviews the Company's plan and policy for cybersecurity incident response, making updates as needed to reflect changes in the systems, processes or requirements of the organization. The team then coordinates a broader meeting where a testing incident is provided and discussed, to ensure that everyone across the organization is aligned and understands the process should an incident arise in the future. The scenarios involve realistic threats to prompt discussion and practice in the application of the Company's policies. The Company established this process with the support of outside consultants to ensure it aligns with industry best practices. It is customized to address the most prominent IT and cybersecurity risks based on the Company's assessments. Any significant changes in policies, risk profiles, internal practices, etc. are reported to the Company's Chair of the Board and Board of Directors, as needed.

Separately from the Incident Response Team, the Company requires all employees to complete an annual security training and the Company's Head of Corporate Systems evaluates security features and compliance with security requirements by employees on an ongoing basis, in consultation with legal.

Given the importance of our member data, the Company has also appointed an internal Data Protection Officer (DPO), who is a member of the Company's legal function and who has received outside training and qualifications. The Company's DPO reviews any changes in rules, requirements, internal policies and procedures and ensures the Company's compliance for data privacy globally is up-to-date (including vendor relationships, privacy policy, data subject access request processes, website terms, employee processes, etc.). The DPO also administers annual data privacy training to all employees and reviews processes and security procedures with the Head of Corporate Systems and IT team, to ensure no areas of exposure or material risk for the Company's data.

We rely on certain third-party computer systems and third-party service providers in connection with providing some of our services (including our hotel platform and email newsletters). We also depend upon various third parties to process payments for our voucher transactions around the world. These third-party business partners, service providers, and consultants need to access certain of our member and other data, and connect to our computer networks. We define expected security and privacy requirements through our contracting processes with third parties and we perform third-party cyber risk assessments to monitor the cyber risk management efforts of third parties as needed.

Although we expend significant internal resources to protect against security breaches, our existing security measures may not be successful in preventing all attacks on our systems. We have historically experienced cybersecurity incidents and threats, including malware, phishing, partner and customer account takeover attacks, and denial-of-service attacks on our systems. We do not believe these cybersecurity incidents have had a materially adverse effect on our Company, including our business strategy, results of operations, or financial condition. For further discussion, please review our Risk Factors.

## **Governance**

The Board, in coordination with the Audit Committee, oversees the Company's risk management program, which includes evaluation of material cybersecurity-related risks as needed. The Audit Committee receives from time-to-time presentations and reports from both Company management and third parties, as appropriate, that address cybersecurity and data protection topics, including evolving standards, third-party and independent reviews, technology trends and information security considerations. The Audit Committee meets at least quarterly with Company management and the Company's external SOX consultant to discuss internal IT controls and, in reviewing the controls, exercises oversight into the Company's IT processes and any areas of risk. Additionally, should an incident arise that is material, the Incident Response Team promptly apprises the Chair of the Board of Directors and the Audit Committee and provides ongoing updates until such incident has been resolved. At regularly scheduled Board meetings, the Audit Committee Chair provides the Board with an update as needed on any significant matters discussed, reviewed, considered and approved by the committee since the last regularly scheduled Board meeting.

## **Item 2. Properties**

We are headquartered in New York, New York, where we occupy approximately 13,500 square feet of leased office space. In addition to our New York office, we have several leased offices throughout the U.S. and Canada for our North America operations, including offices in Chicago, Illinois; Miami, Florida and Toronto, Ontario. We also have leased offices for our Europe operations in Germany, Spain, and the U.K., including offices in Barcelona, Berlin, London, and Munich.

We believe that our leased facilities are adequate to meet our current needs; however, we intend to expand our operations and therefore may require additional facilities in the future. We believe that such additional facilities are available.

## **Item 3. Legal Proceedings**

The information set forth under Note 5—*Commitments and Contingencies* to the accompanying consolidated financial statements included in Part II, Item 8 of this report is incorporated herein by reference.

## **Item 4. Mine Safety Disclosure**

Not applicable.

## PART II

### Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

#### Market Information

Since August 18, 2004, our common stock has been trading on the NASDAQ Global Select Market under the symbol "TZOO." The following table sets forth, for the periods indicated, the high and low sales prices per share of our common stock as reported by NASDAQ.

	High	Low
<b>2025:</b>		
Fourth Quarter	\$ 10.69	\$ 6.59
Third Quarter	\$ 14.05	\$ 9.20
Second Quarter	\$ 16.56	\$ 10.39
First Quarter	\$ 24.85	\$ 12.95
<b>2024:</b>		
Fourth Quarter	\$ 22.44	\$ 11.37
Third Quarter	\$ 15.23	\$ 7.12
Second Quarter	\$ 10.65	\$ 7.39
First Quarter	\$ 11.23	\$ 8.02

On March 9, 2026, the last reported sales price of our common stock on the NASDAQ Global Select Market was \$6.64 per share.

As of March 9, 2026, there were approximately 155 stockholders of record of our shares.

#### Dividend Policy

Travelzoo has not declared or paid any cash dividends since inception and does not expect to pay cash dividends for the foreseeable future. The payment of dividends will be at the discretion of Travelzoo's Board of Directors and will depend upon factors such as future earnings, capital requirements, our financial condition and general business conditions.

#### Sales of Unregistered Securities

In connection with that certain Stock Purchase Agreement, by and between Azzurro and the Company, dated as of December 30, 2022, the Company issued 3,410,000 shares of common stock of the Company in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933 (the "Securities Act") or another available exemption from the Securities Act. The Shares were registered by the Company pursuant to an S-3 registration statement made effective on February 15, 2023.

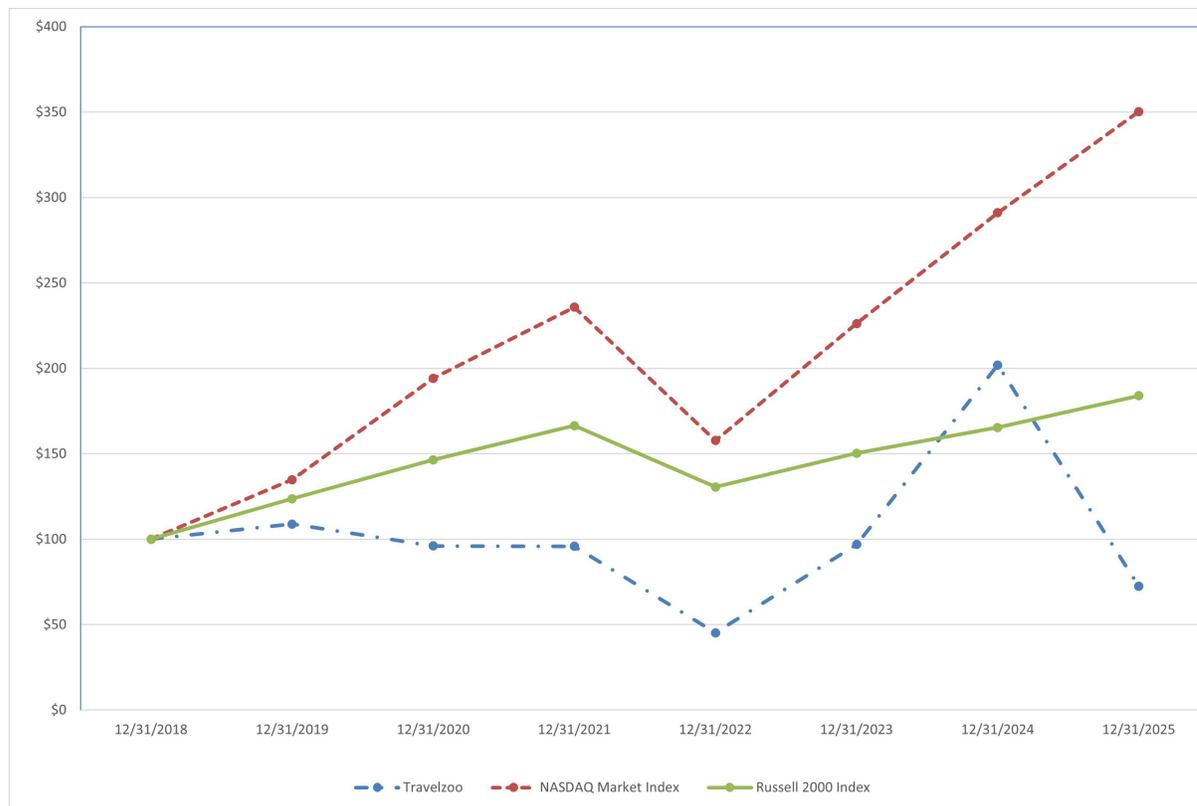
#### Repurchases of Equity Securities

We repurchased 911,529 of our equity securities during the year ended December 31, 2025.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Maximum Shares that May Yet be Purchased Under the Programs
January 1, 2025 - March 31, 2025	590,839	\$ 15.09	590,839	320,690
April 1, 2025 - June 30, 2025	172,088	\$ 14.53	172,088	148,602
July 1, 2025 - September 30, 2025	148,602	\$ 10.40	148,602	—
October 31, 2025 - December 31, 2025	—	\$ —	—	—
	<u>911,529</u>		<u>911,529</u>	

## Performance Graph

The following graph compares, for the dates specified, the cumulative total stockholder return for Travelzoo, the NASDAQ Composite Index (the “NASDAQ Market Index”), and the Russell 2000 Index. Measurement points are the last trading day of each of the Company’s fiscal years ended December 31, 2019, December 31, 2020, December 31, 2021, December 31, 2022, December 31, 2023, December 31, 2024, and December 31, 2025. The graph assumes that \$100 was invested on December 31, 2018 in the Common Stock of the Company, the NASDAQ Market Index and the Russell 2000 Index and assumes reinvestment of any dividends. The stock price performance on the following graph is not indicative of future stock price performance.



Measurement Point	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
Travelzoo	\$ 100	\$ 109	\$ 96	\$ 96	\$ 45	\$ 97	\$ 202	\$ 72
NASDAQ Market Index	\$ 100	\$ 135	\$ 194	\$ 236	\$ 158	\$ 226	\$ 291	\$ 350
Russell 2000 Index	\$ 100	\$ 124	\$ 146	\$ 167	\$ 131	\$ 150	\$ 165	\$ 184

## Item 6. Reserved

## **Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The information in this report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are based upon current expectations, assumptions, estimates and projections about Travelzoo and our industry. These forward-looking statements are subject to the many risks and uncertainties that exist in our operations and business environment that may cause actual results, performance or achievements of Travelzoo to be different from those expected or anticipated in the forward-looking statements. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, words such as “may”, “will”, “should”, “estimates”, “predicts”, “potential”, “continue”, “strategy”, “believes”, “anticipates”, “plans”, “expects”, “intends”, and similar expressions are intended to identify forward-looking statements. Travelzoo’s actual results and the timing of certain events could differ significantly from those anticipated in such forward-looking statements. Factors that might cause or contribute to such a discrepancy include, but are not limited to, those discussed elsewhere in this report in the section entitled “Risk Factors” and the risks discussed in our other SEC filings. The forward-looking statements included in this report reflect the beliefs of our management on the date of this report. Travelzoo undertakes no obligation to update publicly any forward-looking statements for any reason, even if new information becomes available or other circumstances occur in the future.

### **Overview**

Travelzoo (including its subsidiaries and affiliates, the “Company” or “we”) is a global Internet media company. We operate Travelzoo®, the club for travel enthusiasts, Jack’s Flight Club®, and Travelzoo META. We reach 30 million travelers. Club Members, who pay a membership fee, receive Club Offers negotiated and rigorously vetted by our deal experts around the globe. Our relationships with thousands of top travel suppliers—give us access to irresistible deals. Our club and its benefits are built around the lifestyle of a travel enthusiast.

Travelzoo membership has historically been free, however, beginning in 2024, new members in the United States, Canada, United Kingdom and Germany are charged an annual fee of \$40 (or local equivalent), with the 2024 annual fee waived for existing members as of December 31, 2023. On January 1, 2026, we increased the annual membership fee to \$50 in the United States for new members, For existing members, the new pricing will apply from the next renewal of their membership after February 1, 2026. For any subscription revenue derived from the paid membership, we recognize revenue monthly pro rata over the subscription period.

We also license *Travelzoo* products, services and intellectual property to licenses in (a) Australia, New Zealand, and Singapore and (b) Japan and South Korea, in each case, where the Company is entitled to a quarterly royalty payment based on a percentage of net revenue. The Company recognized \$68,000 and \$71,000 in royalties in 2025 and 2024, respectively. Under the licensing agreements, Travelzoo’s existing members in the applicable territories continue to be owned by the Company.

Through Travelzoo META, we plan to include Metaverse travel experiences as a benefit of Travelzoo club membership in 2026, allowing us to utilize and leverage all we have learned and developed over the past few years for Travelzoo META for the benefit of our Club Members. MTE also continues to operate its legacy business in retail and fashion, which is included in but not material to the Company’s consolidated results

### **Reportable Segments**

The Company determines its reportable segments based upon the Company’s chief operating decision maker managing the performance of the business. The Company currently has four reportable operating segments: Travelzoo North America, Travelzoo Europe, Jack’s Flight Club and New Initiatives. Travelzoo North America consists of the Company’s operations in the U.S. and Canada. Travelzoo Europe consists of the Company’s operations in France, Germany, Spain and the U.K. Jack’s Flight Club consists of subscription revenues from premium members to access and receive flight deals from Jack’s Flight Club via email or mobile applications. New Initiatives consists of Travelzoo’s licensing business, the Travelzoo META subscription service and MTE. For the year ended December 31, 2025, Travelzoo North America operations comprised 66% of revenues, Travelzoo Europe operations comprised 28% of revenues and Jack’s Flight Club comprised 6% of revenues. Financial information with respect to our business segments and certain financial information about geographic areas appears in Note 11—*Segment Reporting and Significant Customer Information* to the accompanying consolidated financial statements included in Part II, Item 8 of this report is incorporated herein.

When evaluating the financial condition and operating performance of the Company, management focuses on financial and non-financial indicators such as growth in the number of members to the Company’s newsletters, operating margin, growth in revenues in the absolute and relative to the growth in reach of the Company’s publications measured as revenue per member and revenue per employee as a measure of productivity.

## How We Generate Revenues

Revenues from the Travelzoo brand and business are generated primarily from three categories: Advertising and Commerce, Membership Fees, and Other.

The "Advertising and Commerce" category consists primarily of (a) advertising fees paid by travel companies for the publishing of their offers on Travelzoo's media properties, (b) commissions and revenues generated from the sale of *Getaways* vouchers and bookings on our hotel platform, and (c) publishing fees from high-quality local businesses, sale of *Local Deals* vouchers and entertainment offers. Advertising fees may be based on audience reach, placement in email newsletters or on media properties, number of listings, number of clicks, and/or actual sales. We typically recognize advertising revenues upon delivery of emails or clicks, as tracked by our internal platform or third-party platforms, in the period of the applicable insertion orders, which are typically for periods between one month and twelve months and are not automatically renewed. For *Getaways* vouchers, we recognize a percentage of the face value of vouchers upon sale as commission, net of an allowance for future refunds. Merchant agreements for *Getaways* advertisers are typically for periods between twelve and twenty-four months and are not automatically renewed. Revenues generated from local business offers are based upon a percentage of the face value of the vouchers sold, commission on actual sales or a listing fee based on audience reach. We recognize revenue upon the sale of vouchers, upon notification of the amount of direct bookings or upon delivery of emails. For *Local Deals* vouchers, we recognize a percentage of the face value of vouchers upon the sale of the vouchers, net of an allowance for refunds. Insertion orders and merchant agreements for *Local Deals* are typically for periods between one and twelve months and are not automatically renewed.

In certain scenarios, the Company will pre-purchase vouchers or hotel inventory (in the form of credit amounts, vouchers or gift cards) in bulk from clients and partners (e.g. hotel or spa partners). In those scenarios, the Company is not acting as the agent, but rather as the principal. The pre-purchased vouchers are recorded as inventory, within prepaid expenses and other on the condensed consolidated balance sheet until sold to and purchased by Travelzoo members, at which point, the amount for which the vouchers were sold to Travelzoo members is recognized fully as revenue and the amount for which the vouchers were purchased from the hotel or spa partners is recognized as cost of revenues.

The "Membership Fees" category consists of subscription fees paid by Travelzoo and Jack's Flight Club members. Travelzoo membership has historically been free, however, on January 1, 2024, Travelzoo introduced an annual membership fee of \$40 (or local equivalent) for new members in the United States, Canada, United Kingdom and Germany, with the 2024 annual fee waived for existing members as of December 31, 2023. On January 1, 2026, we increased the annual membership fee to \$50 for new members in the United States only. For existing members, the new pricing will apply from the next renewal of their membership after February 1, 2026. We recognize subscription revenues ratably over the respective subscription periods. Jack's Flight Club subscription options are quarterly, semi-annually, and annually. We recognize subscription revenues ratably over the respective subscription periods.

The "Other" category consists of licensing fees from license agreements, as well as the retail business originally operated by MTE and acquired and maintained by the Company following the acquisition of MTE.

## Trends in Our Business

Our ability to generate revenues in the future depends on numerous factors, including those relating to members, advertisers, competitors, the travel industry, the online advertising business, internal factors and external factors.

Factors relating to members include their willingness to purchase the deals we advertise, their demand for vouchers as a promotional format, and with the introduction of membership fees for new members in 2024 and existing members in 2025, our ability to enroll new paying members and transition existing members to paid membership, without adversely affecting our membership base and existing advertising revenue streams.

Factors relating to advertisers include our ability to sell more advertising to existing and new advertisers, our ability to enhance our audience reach and advertising rates, spending controls by travel intermediaries to focus on improving profitability, and advertiser shifts from one advertising service (e.g. *Top 20*) to another (e.g. *Local Deals* and *Getaways*). Advertiser shifts between advertising services could result in no incremental revenue or less revenue than in previous periods, depending on amounts purchased, and in particular with *Local Deals* and *Getaways*, depending on how many vouchers are purchased by members.

Factors relating to competitors include the willingness of certain competitors to grow their business unprofitably. Factors relating to the travel industry include lingering effects of the global pandemic, geopolitical tensions affecting consumer travel to certain regions, and risk of future unforeseeable macro events that impact travel, while factors relating to the online advertising business include shifts in consumer use of different digital media formats such as from desktop to mobile, from mobile web to mobile app, and from email to push notifications and text messaging.

Internal factors include risks relating to our ability to continue to service members without interruption, our ability to develop and launch new products members will utilize and advertisers will adopt, and hiring and relying on key employees for the continued maintenance and growth of our business.

External factors include the introduction of new methods of advertising, the relative condition of the economy, cybersecurity risks due to increased dependence on digital technologies, and climate change and related legislation, to the extent such legislation impacts the businesses of our advertisers such as airlines and cruise ship operators, which have come under increasing scrutiny for their carbon footprints.

Our ability to continue generating revenues through advertising, commissions and subscriptions depends heavily upon our ability to maintain and grow an attractive audience for our publications. We monitor our membership base to assess our efforts to maintain and grow our audience reach. We obtain additional members and activity on our websites by acquiring traffic from Internet search companies. The costs to grow our audience have had, and we expect will continue to have, a significant impact on our financial results and can vary from period to period. With the introduction of membership fees in 2024, our former user acquisition strategies and marketing tactics are no longer applicable for the Travelzoo membership base, and we are developing new member acquisition strategies whose timeframes to become effective are inherently uncertain. While we are initially reducing our expenditures on acquiring traffic as we test new strategies for efficacy, in time we may need to increase these expenditures to maintain or grow our audience and reach of our publications. We continue to see a shift in members accessing our services through mobile devices and social media and, therefore, anticipate continuing to address this growing channel through increased marketing on social media channels.

We believe that an important factor for our advertising rates is the reach of our publications, however, we also believe that there are other important factors, such as the engagement of our membership base with our content. With the introduction of a membership fee in 2024, the main way in which we will increase our reach and our engagement is by acquiring new Club Members, or paying members. We do not know if we will be able to efficiently or effectively acquire Club Members at sufficient volumes. We therefore also do not know if we will be able to increase the reach of our engagement with our publications. Even if we are able to increase the reach of our publications, we still may not be able to or want to increase rates given market conditions, including intense competition in our industry. Even if we increase our rates, the increased price may reduce the number of advertisers willing to advertise with us and could, therefore, decrease our revenue. We may need to decrease our rates based on competitive market conditions and the performance of our audience in order to maintain or grow our revenue. While we will have membership revenue to offset any reductions in advertising revenue or add incrementally to advertising revenue so that we can continue to grow total revenue, we are unsure of the volumes in which we will be able to convert to membership from either our existing database or through new member acquisition.

We do not know what our cost of revenues as a percentage of revenues will be in future periods. Our cost of revenues may change in relation to volume and terms with third-party partners of the Travelzoo network, incurring merchant processing fees from the sale of vouchers for *Local Deals* and *Getaways* and payment of membership fees, changes in refund request trends and provisioning of customer service. We expect fluctuations in cost of revenues as a percentage of revenues from quarter to quarter. Some of the fluctuations may be significant and may have a material impact on our results of operations.

We do not know what our sales and marketing expenses as a percentage of revenue will be in future periods. Changes in the average cost per acquisition of new members impacts our advertising expenses and sales and marketing expenses as a percentage of revenue, and are not readily predictable. With the introduction of membership fees in 2024, we expected the cost of acquiring new paying members to increase significantly, as compared with the cost of acquiring non-paying members prior to 2024. In 2025, advertising expenditures increased significantly as we implemented new strategies to acquire Club Members. However, as we test new strategies and gain more learnings as to acquiring paying members, our expenditures may fluctuate. In addition, there may be a significant number of members that cancel or we may cancel their subscriptions for various reasons, which may prompt us to spend more on member acquisition in order to replace lost members.

In addition to the type of membership offered, we believe the average cost per acquisition depends mainly on the advertising rates we pay for media buys, the quality of the members we acquire, our ability to manage our member acquisition efforts successfully, the regions we target to acquire new members and the relative costs for that region, and the degree of competition in our industry. All else equal, increased competition may require us to increase advertising for our brand and advertisers' deals.

Beside member acquisition costs, we may see a unique opportunity for a brand marketing campaign, experience increases in the cost of retaining or sourcing new advertiser clients, or change the number of personnel or compensation structure for the Sales and marketing function, any of which would result in an increase in sales and marketing expenses. We expect fluctuations in sales and marketing expenses as a percentage of revenue from year to year and from quarter to quarter. Some of the fluctuations may be significant and have a material impact on our results of operations. We expect increased marketing expenses to spur continued growth in revenue in future periods; however, we cannot be assured of this due to the many factors that impact our growth. We expect to adjust the level of such incremental spending dynamically during any given quarter based upon market conditions, as well as our performance in each quarter.

We do not know what our product development expenses as a percentage of revenue will be in future periods. There may be fluctuations that have a material impact on our results of operations. Product development changes may lead to reductions of revenue based on changes in receptivity of our offerings to our member audience and advertiser clients. We expect our efforts in developing products and services will continue to be a focus in the future, which may lead to increased product development expenses. Increases in expense may result from costs related to third-party technology service providers and software licenses, headcount and the use of professional services.

We do not know what our general and administrative expenses as a percentage of revenue will be in future periods. There may be fluctuations that have a material impact on our results of operations.

We do not know what our income taxes will be in future periods. There may be fluctuations that have a material impact on our results of operations. Our income taxes are dependent on numerous factors such as the geographic mix of our taxable income, foreign, federal, state and local tax law and regulations and changes thereto. Our income taxes are also dependent on the determination of whether valuation allowances for certain tax assets are required or not, any audits of prior years' tax returns that result in adjustments, resolution of uncertain tax positions and different treatments for certain items for tax versus book purposes. We expect fluctuations in our income taxes from year to year and from quarter to quarter, which may be significant and have a material impact on our results of operations.

## Results of Operations

The following table sets forth, as a percentage of total revenues, the results from our operations for the periods indicated.

	2025	2024
Revenues	100.0 %	100.0 %
Cost of revenues	19.7	12.5
Gross profit	80.3	87.5
Operating expenses:		
Sales and marketing	49.4	41.1
Product development	2.8	2.9
General and administrative	20.6	21.5
Total operating expenses	72.8	65.5
Operating income	7.5	22.0
Other income, net	0.8	0.7
Income from operations before income taxes	8.3	22.7
Income tax expense	2.9	6.4
Income from operations	5.4	16.3
Net income	5.4	16.3
Net income attributable to non-controlling interest	0.3	0.1
Net income attributable to Travelzoo	5.1 %	16.2 %
Net income attributable to Travelzoo operations	5.1 %	16.2 %

## Revenues

The following table sets forth the breakdown of revenues (in thousands) by category Advertising, Membership Fees, and Other. Advertising includes travel publications (*Top 20*, *Travelzoo* website, *Standalone* email newsletters, *Travelzoo Network*), *Getaways* vouchers, hotel platform, vacation packages, *Local Deals* vouchers and entertainment offers (vouchers and direct bookings). Membership Fees includes subscription fees paid by *Travelzoo* and *Jack's Flight Club* members. Other includes licensing fees from license agreements and the retail business acquired with MTE.

	Year Ended December 31,	
	2025	2024
Advertising and Commerce	\$ 78,446	\$ 78,396
Membership Fees	13,193	5,399
Other	80	107
Total revenues	\$ 91,719	\$ 83,902

### Advertising and Commerce

Advertising and Commerce revenue remained flat year over year.

### Membership Fees

Revenues from Membership fees increased \$7.8 million, or 144%, from 2024 to 2025 due to the increase of members paying subscription fees for both *Travelzoo* and *Jack's Flight Club*.

### Other

Revenues from Other decreased \$27,000 due to decrease in activities attributable to MTE.

### Cost of Revenues

Cost of revenues consists primarily of network expenses related to powering the Company's websites, database services, sending e-mails, amortization of capitalized website development costs, software and license expenses, publishing fees to partners of the *Travelzoo Network*, costs incurred upon the sale of pre-purchased vouchers and other products, including directly attributable member services (call center), cost of certain membership benefits that are considered integral to the contractual obligation to Club Members, fees to payment processors. Cost of revenues was \$18.1 million and \$10.5 million for the years ended December 31, 2025 and 2024, respectively.

Cost of revenues increased \$7.6 million for the year ended December 31, 2025 compared to the year ended December 31, 2024 primarily due to an increase in costs recognized upon the sale of pre-purchased vouchers. Cost of revenues as a percent of revenues increased from 12.5% in 2024 to 19.7% in 2025.

### Operating Expenses

#### Sales and Marketing

Sales and marketing expenses consist primarily of advertising and promotional expenses, salary and related expenses associated with sales, marketing and production employees, expenses related to participation in industry conferences, public relations expenses and facilities costs. Sales and marketing expenses were \$45.3 million and \$34.5 million for the years ended December 31, 2025 and 2024, respectively. Advertising expenses consist primarily of online advertising, which we refer to as user acquisition costs and member acquisition costs. For the years ended December 31, 2025 and 2024, advertising expenses accounted for 26% and 11%, respectively, of total sales and marketing expenses. The goal of our advertising is to acquire new members, increase our audience through mobile and social media channels, drive traffic to our websites and increase brand awareness.

Sales and marketing expenses increased \$10.8 million, or 31%, in 2025 as compared to 2024, primarily due to increase in member acquisition. Sales and marketing expenses as a percent of revenues increased from 41% in 2024 to 49.4% in 2025.

#### Product Development

Product development expenses consist primarily of salary and related expenses associated with software development employees, fees for professional services, software maintenance, amortization and facilities costs. Product development expenses were \$2.6 million and \$2.4 million for each of the years ended December 31, 2025 and 2024, respectively.

Product development expenses increased by \$144,000, or 6%, in 2025 as compared to 2024, primarily due to increase in salary and related expenses. Product development expenses as a percent of revenues were 2.8% and 2.9% in 2025 and 2024, respectively.

#### *General and Administrative*

General and administrative expenses consist primarily of salary and related expenses associated with administrative and executive employees, professional service expenses, legal expenses, amortization of intangible assets, general office expense, facilities costs and bad debt expense. General and administrative expenses were \$18.9 million and \$18.1 million for the years ended 2025 and 2024, respectively.

General and administrative expenses increased by \$863,000, or 5%, in 2025 as compared to 2024, primarily due to increase in a one-time expense related to a global company meeting. General and administrative expenses as a percent of revenues were 20.6% and 21.5% in 2025 and 2024, respectively.

#### *Other Income, net*

Other income, net consisted primarily of foreign exchange transactions gains and losses, sublease income, German federal government funding for Corona-related pandemic relief, interest income and interest expense. Other income was \$753,000 and \$588,000 for the years ended December 31, 2025 and 2024, respectively.

Other income increased \$165,000, or 28%, in 2025 as compared to 2024, primarily due to a \$210,000 release of JFC VAT liabilities after a four-years statute of limitations in 2025.

#### *Income Taxes*

Our income is generally taxed in the U.S., Canada and U.K. Our income tax provision reflects federal, state and country statutory rates applicable to our worldwide income, adjusted to take into account expenses that are treated as having no recognizable tax benefit. Income tax expense was \$2.7 million and \$5.4 million, respectively, for the years ended December 31, 2025 and 2024. Our effective tax rate was 35% and 28.3% for 2025 and 2024, respectively.

Our effective tax rate increased for 2025 as compared to 2024, primarily due to higher interest expense related to uncertain tax positions. We expect our effective tax rate to fluctuate in future periods depending on the geographic mix of our worldwide income or losses mainly incurred by our operations, statutory tax rate changes that may occur, existing or new uncertain tax matters that may arise and require changes in tax reserves and the need for valuation allowances on certain tax assets, if any. See Note 6—*Income Taxes* to the accompanying consolidated financial statements included in Part II, Item 8 of this report which is incorporated herein by reference.

#### *Segment Information*

##### *Travelzoo North America*

	Year Ended December 31,	
	2025	2024
	(In thousands)	
Revenues	\$ 60,292	\$ 55,092
Income from operations	\$ 8,996	\$ 15,883
Income from operations as a % of revenues	15 %	29 %

North America revenues increased \$5.2 million, or 9%, in 2025 as compared to 2024. This increase was primarily due to the increase in paid membership fees and sales of pre-purchased vouchers or hotel inventory. North America cost of sales and operating expenses increased by \$12 million in 2025 as compared to 2024, primarily due to a \$5.7 million increase in cost of revenue related to purchase of vouchers and gift cards which were sold during the year ended December 31, 2025, and a \$4.7 million increase in member acquisition costs.

### *Travelzoo Europe*

	Year Ended December 31,	
	2025	2024
	(In thousands)	
Revenues	25,976	\$ 24,071
Income from operations	\$ (2,315)	\$ 3,081
Income from operations as a % of revenues	(9)%	13 %

Europe revenues increased \$1.9 million, or 8%, in 2025 as compared to 2024. This increase was primarily due to the increase in paid membership fees and sales of pre-purchased vouchers or hotel inventory. Europe cost of sales and operating expenses increased by \$7.3 million in 2025 as compared to 2024, primarily due to a \$1.9 million increase in cost of revenue related to purchase of vouchers and gift cards which were sold during the year ended December 31, 2025, a \$2.5 million increase in member acquisition costs, and a \$1 million increase in salary and related expenses.

Foreign currency movements relative to the U.S. dollar impacted local currency income from our operations in Europe by approximately negatively \$97,000 and positively \$106,000 in 2025 and 2024, respectively.

### *Jack's Flight Club*

	Year Ended December 31,	
	2025	2024
	(In thousands)	
Revenues	5,371	\$ 4,632
Income (Loss) from operations	\$ 338	\$ 44
Income (Loss) from operations as a % of revenues	6 %	1 %

Jack's Flight Club revenues increased \$739,000, or 16%, in 2025 as compared to 2024 due to increase of subscription fees paid by the members. Jack's Flight Club cost of sales and operating expenses increased \$446,000 in 2025 as compared to 2024, primarily due to an increase in advertising and marketing expenses.

### *New Initiatives*

	Year Ended December 31,	
	2025	2024
	(In thousands)	
Revenues	80	\$ 107
Loss from operations	\$ (115)	\$ (510)

New Initiatives revenues decreased \$27,000 in 2025 as compared to 2024. New Initiatives cost of sales and operating expenses decreased \$422,000 in 2025 as compared to 2024, primarily due to decreases in sales and marketing and headcount.

### *Liquidity and Capital Resources*

As of December 31, 2025, we had \$10 million of cash and cash equivalents, of which \$7.8 million was held outside the U.S., and we had \$756,000 in restricted cash held in the U.S. If our cash and cash equivalents held outside the U.S. were distributed to the U.S., we may be subject to additional U.S. taxes in certain circumstances.

Cash, cash equivalents and restricted cash decreased by \$7.0 million to \$10.8 million as of December 31, 2025 from \$17.7 million as of December 31, 2024, primarily due to cash used to repurchase common stock, offset partially by cash provided by operating activities.

As of December 31, 2025, we had merchant payables of \$11.7 million related to unredeemed vouchers. In the Company's financial statements presented in this 10-K report, following U.S. generally accepted accounting principles ("GAAP"), we classified all merchant payables as current. When all merchant payables are classified as current, there is negative net working capital (which is defined as current assets minus current liabilities) of \$10.8 million. Payables to merchants are generally due upon redemption of vouchers. The vouchers expire through December 2026; however these expiration dates may sometimes be extended on a case-by-case basis and final payment upon expiration may not be due for up to a year after expiration. Based on current projections of redemption activity, we expect that cash and cash equivalents on hand as of December 31, 2025 will be sufficient to provide for working capital needs for at least the next twelve months.

The following table provides a summary of our cash flows from operating, investing and financing activities:

	Year Ended December 31,	
	2025	2024
	(In thousands)	
Net cash provided by operating activities	\$ 5,661	\$ 21,100
Net cash used in investing activities	(65)	(177)
Net cash used in financing activities	(13,068)	(18,973)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	495	(599)
Net increase (decrease) in cash, cash equivalents and restricted cash	<u>\$ (6,977)</u>	<u>\$ 1,351</u>

Net cash provided by operating activities for 2025 was \$5.7 million, as compared to \$21.1 million in 2024, consisting of net income of \$5 million, \$1.2 million of adjustments for non-cash items and \$478,000 used in changes in operating assets and liabilities. Adjustments for non-cash items primarily consist of \$305,000 for depreciation and amortization and \$1.4 million for stock-based compensation, offset partially by \$558,000 of deferred income tax change. Cash used in operating assets and liabilities was primarily due to a \$5.2 million decrease in merchant payables, offset partially by a \$2.4 million increase in accounts receivable and a \$2 million increase in deferred revenue.

Net cash provided by operating activities for 2024 was \$21 million, consisting of net income of \$13.7 million, \$2 million of adjustments for non-cash items and \$5.4 million used in changes in operating assets and liabilities. Adjustments for non-cash items primarily consist of \$907,000 for depreciation and amortization and \$1.6 million for stock-based compensation, offset partially by \$518,000 of deferred income tax change. Cash used in operating assets and liabilities was primarily due to a \$4.1 million decrease in merchant payables, offset partially by a \$950,000 decrease in prepaid expenses and other and \$1.9 million increase in other liabilities.

Cash paid for income tax, net of refunds received, in 2025, was \$3.8 million. Cash received for income tax refunds, net of payments in 2024, was \$1.9 million.

Net cash used in investing activities for 2025 was \$65,000 for purchases of property and equipment. Net cash used in investing activities for 2024 was \$177,000 for purchases of property and equipment.

Net cash used in financing activities for 2025 was \$13 million primarily for the repurchase of common stock. Net cash used in financing activities for 2024 was \$18.9 million primarily for the repurchase of common stock.

Consistent with our growth, we have experienced fluctuations in our cost of revenues, sales and marketing expenses, product development expenses and general and administrative expenses, and we anticipate that these increases will continue for the foreseeable future. We believe cash on hand will be sufficient to pay such costs for at least the next twelve months. In addition, we will continue to evaluate possible investments in businesses and products and technologies, the consummation of any of which would increase our capital requirements.

Although we currently believe we have sufficient capital resources to meet our anticipated working capital and capital expenditure requirements for at least the next twelve months, unanticipated events and opportunities or a less favorable than expected development of our business with one or more advertising formats may require us to sell additional equity or debt securities or establish credit facilities to raise capital in order to meet our capital requirements.

If we sell additional equity or convertible debt securities, such sale could dilute the ownership of our existing stockholders. If we issue debt securities or establish a new credit facility, our fixed obligations could increase and we may be required to agree to operating covenants that would restrict our operations. We cannot be sure that any such financing will be available in amounts or on terms acceptable to us.

If the development of our business is less favorable than expected, we may decide to significantly reduce the size of our operations and marketing expenses in certain markets with the objective of reducing cash outflows.

The information set forth under “Note 5—*Commitments and Contingencies*” and “Note 14—*Leases*” to the accompanying consolidated financial statements included in Part II, Item 8 of this report is incorporated herein by reference. Litigation and claims against the Company may result in legal defense costs, settlements or judgments that could have a material impact on our financial condition.

The following summarizes our principal contractual commitments as of December 31, 2025 (in thousands):

	Operating Lease Commitments Long-term	Operating Lease Commitments Short-term	Total Operating Lease Commitments	Purchase Obligations	Total Commitments
2026	\$ 1,852	\$ 1,132	\$ 2,984	\$ 592	\$ 3,576
2027	1,464	45	1,509	141	1,650
2028	1,464	—	1,464	—	1,464
2029	1,454	—	1,454	—	1,454
2030	225	—	225	—	225
Total	\$ 6,459	\$ 1,177	\$ 7,636	\$ 733	\$ 8,369

We also have contingencies related to net unrecognized tax benefits, including interest, of approximately \$23.9 million as of December 31, 2025. See Note 6—*Income Taxes* to the accompanying consolidated financial statements included in Part II, Item 8 of this report which is incorporated herein by reference for further information.

### ***Critical Accounting Policies and Estimates***

We prepare our consolidated financial statements and accompanying notes in accordance with GAAP. Preparation of the consolidated financial statements and accompanying notes requires management to make estimates and assumptions that affect the amounts of assets and liabilities at the date of the consolidated financial statements and amounts of revenue and expenses reported during the period. We base our estimates on historical experience and on various other assumptions we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ significantly from those estimates under different assumptions and conditions and may be material. Refer to Note 1—*Basis of Presentation and Summary of Significant Accounting Policies* of the notes to consolidated financial statements in Part II Item 8 of this Annual Report on Form 10-K for an overview of our significant accounting policies.

There are certain critical estimates employed in the preparation of our consolidated financial statements that we believe require management to use significant judgment. We consider an accounting estimate to be critical if:

- It requires us to make an assumption because information was not available at the time or it included matters that were highly uncertain at the time we were making the estimate; and/or
- Changes in the estimate or different estimates that we could have selected may have had a material impact on our financial condition or results of operations.

A discussion of information about the nature and rationale for our critical accounting estimates is below:

#### *Income Taxes*

We utilize the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets are recognized for deductible temporary differences, along with net operating loss carryforwards and credit carryforwards, if it is more likely than not that the tax benefits will be realized. To the extent a deferred tax asset cannot be recognized under the preceding criteria, valuation allowances are established. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled.

Significant judgment is required in evaluating the Company's uncertain tax positions and determining the Company's provision for income taxes. We record liabilities to address uncertain tax positions we have taken in previously filed tax returns or that we expect to take in a future tax return. Although the Company believes it has adequately reserved for its uncertain tax positions, no assurance can be given that the final outcomes of these matters will not be different. The Company adjusts its reserves in light of changing facts and circumstances, such as the progress or closing of a tax audit or the refinement of an estimate. To the extent the final tax outcomes of these matters is different than the amounts recorded, such differences will impact the provision for income taxes in the period in which such determination is made. The provision for income taxes includes the impact of reserve provisions and changes to reserves that are considered appropriate, as well as related net interest.

#### **Recent Accounting Pronouncements**

For a discussion of the recent accounting pronouncements, see Note 1—*Basis of Presentation and Summary of Significant Accounting Policies* of the notes to consolidated financial statements in Part II Item 8 of this Annual Report on Form 10-K.

#### **Item 7A. *Quantitative and Qualitative Disclosures About Market Risk***

Not required for smaller reporting companies.

**Item 8. Financial Statements and Supplementary Data**

**TRAVELZOO**  
**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**

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## Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors  
Travelzoo:

### *Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated balance sheets of Travelzoo and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, stockholders' equity (deficit), and cash flows for each of the years in the two-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

### *Basis for Opinion*

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

### *Critical Audit Matter*

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

### *Sufficiency of audit evidence over revenue related to advertising fees*

As discussed in Notes 1(b) and 11 to the consolidated financial statements, the Company enters into contracts with advertisers to promote their respective advertisements through the Travelzoo website and emails. Advertising revenue is recognized by the Company upon the delivery of the emails to its members or each time a user clicks on the respective advertisements. For the year ended December 31, 2025, the Company recorded \$78.4 million in advertising and commerce revenues, which included advertising fee revenues from email newsletters and cost-per-click advertising.

We identified the evaluation of the sufficiency of audit evidence over revenue related to advertising fees for email newsletters and cost-per-click advertising as a critical audit matter. The Company's reliance on its information technology (IT) system to capture the number of emails and clicks for revenue recognition required a heightened level of auditor judgment due to the extensive automation of the process. Our audit procedures required the involvement of IT professionals with specialized skills

and knowledge and auditor judgment was required to determine the nature and extent of procedures and to evaluate audit evidence obtained.

The following are the primary procedures we performed to address this critical audit matter. We applied auditor judgment to determine the nature and extent of procedures to be performed. We involved IT professionals with specialized skills and knowledge, who assisted in evaluating the design and testing the operating effectiveness of certain internal controls over the Company's revenue process, including general IT controls and IT application controls over the tracking of emails and clicks recorded. We performed a software-assisted data analysis to test relationships among certain revenue transactions. For a selection of transactions, we assessed the recorded revenue by comparing the amounts recognized for consistency to underlying documentation, including contract terms, number of emails or clicks, and subsequent cash, if applicable. We evaluated the sufficiency of audit evidence obtained by assessing the results of procedures performed, including the appropriateness of the nature and extent of such evidence.

/s/ KPMG LLP

We have served as the Company's auditor since 2023.

New York, New York  
March 11, 2026

**TRAVELZOO**  
**CONSOLIDATED BALANCE SHEETS**  
(In thousands, except par value)

	December 31, 2025	December 31, 2024
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 10,007	\$ 17,064
Accounts receivable, net of allowance of \$1,222 and \$1,612 as of December 31, 2025 and 2024, respectively	10,723	12,825
Prepaid income taxes	1,364	736
Prepaid expenses and other	1,302	1,148
Total current assets	23,396	31,773
Deposits and other	166	374
Deferred tax assets	4,202	3,380
Restricted cash	756	675
Operating lease right-of-use assets	4,047	5,655
Property and equipment, net	231	423
Intangible assets, net	1,450	1,498
Goodwill	10,944	10,944
Total assets	\$ 45,192	\$ 54,722
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 7,761	\$ 6,162
Merchant payables	11,665	16,294
Accrued expenses and other	3,926	3,404
Deferred revenue	8,728	6,545
Operating lease liabilities	1,811	2,472
Income tax payable	279	1,619
Total current liabilities	34,170	36,496
Long-term tax liabilities	9,260	7,851
Long-term operating lease liabilities	4,184	5,646
Other long-term liabilities	—	376
Total liabilities	47,614	50,369
Stockholders' equity (deficit):		
Preferred stock, \$0.01 par value per share (5,000 shares authorized; none issued)	—	—
Common stock, \$0.01 par value (20,000 shares authorized as of December 31, 2025 and 2024, respectively; 10,932 shares issued and outstanding as of December 31, 2025 and 11,836 shares issued and outstanding as of December 31, 2024)	109	118
Additional paid-in capital	—	—
Tax indemnification	(9,537)	(9,537)
Retained earnings	7,243	14,284
Accumulated other comprehensive loss	(5,331)	(5,327)
Total Travelzoo stockholders' equity (deficit)	(7,516)	(462)
Non-controlling interest	5,094	4,815
Total stockholders' equity (deficit)	(2,422)	4,353
Total liabilities and stockholders' equity (deficit)	\$ 45,192	\$ 54,722

See accompanying notes to consolidated financial statements.

**TRAVELZOO**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share amounts)

	Year Ended December 31,	
	2025	2024
Revenues	\$ 91,719	\$ 83,902
Cost of revenues	18,076	10,469
Gross profit	73,643	73,433
Operating expenses:		
Sales and marketing	45,267	34,470
Product development	2,551	2,407
General and administrative	18,921	18,058
Total operating expenses	66,739	54,935
Operating income	6,904	18,498
Other income, net	753	588
Income before income taxes	7,657	19,086
Income tax expense	2,679	5,404
Net income	4,978	13,682
Net income attributable to non-controlling interest	279	118
Net income attributable to Travelzoo	\$ 4,699	\$ 13,564
Net income per share—basic	\$ 0.42	\$ 1.08
Net income per share —diluted	\$ 0.41	\$ 1.06
Shares used in per share calculation from operations—basic	11,180	12,594
Shares used in per share calculation from operations—diluted	11,477	12,852

See accompanying notes to consolidated financial statements.

**TRAVELZOO**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**(In thousands)**

	Year Ended December 31,	
	2025	2024
Net income	\$ 4,978	\$ 13,682
Other comprehensive income (loss):		
Foreign currency translation adjustment	(4)	(720)
Total comprehensive income	\$ 4,974	\$ 12,962

See accompanying notes to consolidated financial statements.

**TRAVELZOO**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)**  
(In thousands)

	Common Stock		Treasury Stock	Additional Paid-In Capital	Tax Indemnification	Note Receivable from Shareholder	Retained Earnings	Accumulated Other Comprehensive Loss	Non-Controlling interest	Total Stockholders' Equity (Deficit)
	Shares	Amount								
Balances, December 31, 2023	13,575	\$ 136	\$ —	\$ 439	\$ (9,537)	\$ (1,753)	\$ 19,508	\$ (4,607)	\$ 4,697	\$ 8,883
Stock-based compensation expense	—	—	—	1,646	—	—	—	—	—	1,646
Repurchase of common stock (1)	—	—	(19,094)	—	—	—	—	—	—	(19,094)
Retirement of treasury stock	(1,888)	(18)	19,094	(288)	—	—	(18,788)	—	—	—
Exercise of stock options and taxes paid for net share settlement	149	—	—	(1,797)	—	—	—	—	—	(1,797)
Proceeds from Note receivable from shareholder	—	—	—	—	—	1,753	—	—	—	1,753
Foreign currency translation adjustment	—	—	—	—	—	—	—	(720)	—	(720)
Net income—Travelzoo	—	—	—	—	—	—	13,564	—	118	13,682
Balances, December 31, 2024	11,836	118	—	—	(9,537)	—	14,284	(5,327)	4,815	4,353
Stock-based compensation expense	—	—	—	1,446	—	—	—	—	—	1,446
Repurchase of common stock (1)	—	—	(13,091)	—	—	—	—	—	—	(13,091)
Retirement of treasury stock	(912)	(9)	13,091	(1,342)	—	—	(11,740)	—	—	—
Exercise of stock options and taxes paid for net share settlement	8	—	—	(104)	—	—	—	—	—	(104)
Foreign currency translation adjustment	—	—	—	—	—	—	—	(4)	—	(4)
Net income—Travelzoo	—	—	—	—	—	—	4,699	—	279	4,978
Balances, December 31, 2025	<u>10,932</u>	<u>\$ 109</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (9,537)</u>	<u>\$ —</u>	<u>\$ 7,243</u>	<u>\$ (5,331)</u>	<u>\$ 5,094</u>	<u>\$ (2,422)</u>

(1) Includes a 1% excise tax applicable to share repurchases.

See accompanying notes to consolidated financial statements.

**TRAVELZOO**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)

	Year Ended December 31,	
	2025	2024
<b>Cash flows from operating activities:</b>		
Net income	\$ 4,978	\$ 13,682
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	305	907
Stock-based compensation	1,446	1,646
Deferred income tax	(558)	(518)
Net foreign currency effect	(215)	(33)
Provision for accounts receivable and refund reserves	182	40
Changes in operating assets and liabilities:		
Accounts receivable	2,374	(145)
Prepaid income taxes	(617)	(107)
Prepaid expenses and other	181	950
Accounts payable	1,473	1,716
Merchant payables	(5,184)	(4,057)
Accrued expenses and other	214	(282)
Deferred revenue	2,015	4,556
Income tax payable	(1,379)	857
Other liabilities	446	1,888
Net cash provided by operating activities	<u>5,661</u>	<u>21,100</u>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(65)	(177)
Net cash used in investing activities	<u>(65)</u>	<u>(177)</u>
<b>Cash flows from financing activities:</b>		
Repurchase of common stock	(12,964)	(18,929)
Proceeds from payment of promissory note	—	1,753
Exercise of stock options, net of taxes paid for net share settlement of equity awards	(104)	(1,797)
Net cash used in financing activities	<u>(13,068)</u>	<u>(18,973)</u>
Effect of exchange rate changes on cash and cash equivalents	495	(599)
Net increase (decrease) in cash, cash equivalents and restricted cash	<u>(6,977)</u>	<u>1,351</u>
Cash, cash equivalents and restricted cash at beginning of year	17,740	16,389
Cash, cash equivalents and restricted cash at end of year	<u>\$ 10,763</u>	<u>\$ 17,740</u>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid (refund) for income taxes, net	\$ 3,835	\$ 1,943
Right-of-use assets obtained in exchange for lease obligations—operating leases	\$ 321	\$ 1,273
Cash paid for amounts included in the measurement of lease liabilities	\$ 3,459	\$ 3,368
Non-cash investing and financing activities:		
Accrued excise tax for share repurchases	\$ 129	\$ 165

See accompanying notes to consolidated financial statements.

**TRAVELZOO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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

***(a) The Company and Basis of Presentation***

Travelzoo® (including its subsidiaries and affiliates, the “Company” or “we”), the club for travel enthusiasts, is a global Internet media company. We reach 30 million travelers. Club Members, who pay a membership fee, receive Club Offers negotiated and rigorously vetted by our deal experts around the globe. Our relationships with thousands of top travel suppliers give us access to irresistible deals. Our club and its benefits are built around the lifestyle of a modern travel enthusiast.

Our most important products and services are the *Travelzoo* website (travelzoo.com), the *Travelzoo* iOS and Android apps, the *Top 20*® email newsletter, *Standalone* email newsletters, the *Travelzoo Network*, and Jack's Flight Club®. Our *Travelzoo* website and newsletters include *Local Deals* and *Getaways* listings that allow our members to purchase vouchers for offers from local businesses such as spas, hotels and restaurants. *Jack's Flight Club* is a subscription service that provides members with information about exceptional airfares.

Travelzoo membership has historically been free, however, beginning in 2024, we introduced an annual membership fee of \$40 (or local equivalent) for new members in the United States, Canada, United Kingdom and Germany, with the 2024 annual fee waived for existing members as of December 31, 2023. On January 1, 2026, we increased the annual membership fee to \$50 for new members in the United States only. For existing members, the new pricing will apply from the next renewal of their membership after February 1, 2026. Jack's Flight Club subscription options are quarterly, semi-annually, and annually. We recognize subscription revenues ratably over the respective subscription periods.

We also license *Travelzoo* products, services and intellectual property to licensees in (a) Australia, New Zealand, and Singapore and (b) Japan and South Korea, in each case, where the Company is entitled to quarterly royalty payments based on a percentage of net revenue. The Company recognized \$68,000 and \$71,000 in royalties in 2025 and 2024, respectively. Under the licensing agreements, Travelzoo's existing members in the applicable territories continue to be owned by the Company.

Through Travelzoo META, we plan to include Metaverse travel experiences as a benefit of Travelzoo club membership in 2026, allowing us to utilize and leverage all we have learned and developed over the past few years for Travelzoo META for the benefit of our Club Members.

***Jack's Flight Club***

In January 2020, Travelzoo acquired a 60% interest in JFC Travel Group Co. (“Jack's Flight Club”), which operates *Jack's Flight Club*, a subscription service that provides members with information about exceptional airfares. Jack's Flight Club's revenues are generated by subscription fees paid by members.

***APAC Licensing Model***

Travelzoo currently has license agreements covering Australia, New Zealand and Singapore, as well as Japan and South Korea. The license agreement for Australia, New Zealand and Singapore provides the licensee exclusive rights to use Travelzoo products, services and intellectual property in Australia, New Zealand and Singapore in exchange for quarterly royalty payments based upon net revenue over a 5 year term, with an option to renew. The Company recognized royalties of \$38,000 and \$41,000 from the licensee for the years ended December 31, 2025 and 2024, respectively.

The license agreement for Japan and South Korea provides the licensee exclusive rights to use Travelzoo products, services, and intellectual property in exchange for quarterly royalty payments based on net revenue over a 5 year term, with an option to renew. The Company recognized royalties of \$30,000 from the licensee for the both years ended December 31, 2025 and 2024, respectively.

### ***Going Concern***

In accordance with the requirements of Accounting Standards Update (“ASU”) 2014-15, “Presentation of Financial Statements Going Concern (ASU 2014-15)”, and ASC 205, “Presentation of Financial Statements”, the Company is responsible to evaluate at each reporting period, including interim periods, whether conditions and/or events raise substantial doubt about its ability to meet its future financial obligations. In its evaluation for this report, management considered the Company’s current financial condition and liquidity sources, including current funds available, forecasted future cash flows and conditional and unconditional obligations due within one year following the date of issuance of this Annual Report on Form 10-K.

The Company believes it has the ability to meet its obligations for at least one year from the date of issuance of this Form 10-K. Accordingly, the accompanying consolidated financial statements have been prepared assuming it will continue as a going concern and contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

### ***Ownership***

Ralph Bartel, who founded Travelzoo, is the sole beneficiary of the Ralph Bartel 2005 Trust, which is the controlling shareholder of Azzurro. Azzurro is the Company’s largest shareholder, and as of December 31, 2025, holds approximately 33.5% of the Company's outstanding shares. Holger Bartel, the Company's Global CEO, is Ralph Bartel's brother and did not hold any of the Company's outstanding shares as of December 31, 2025.

### ***Basis of Presentation and Consolidation***

The consolidated financial statements have been prepared in conformity with generally accepted accounting principles (“GAAP”) in the United States (“U.S.”). The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. For our consolidated financial statements as of and for the period ended December 31, 2025, we evaluated subsequent events and transactions for potential recognition or disclosure through the date that we filed this Form 10-K with the Securities and Exchange Commission (SEC).

Management has made a number of estimates and assumptions relating to the reporting of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with GAAP. Significant estimates included in the consolidated financial statements and related notes include income taxes, stock-based compensation, loss contingencies, purchase price allocation for business combinations, and projections and assumptions used in related impairment assessments. Actual results could differ materially from those estimates.

### ***(b) Revenue Recognition***

The Company follows Accounting Standards Update No. 2014-09, “Revenue from Contracts with Customers” (Topic 606), under which revenue is recognized when control of the promised goods or services is 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's revenues consist of (1) advertising and commerce revenues, derived from and generated in connection with purchases made by Travelzoo members, (2) membership fees and (3) other.

### ***Advertising and Commerce Revenues***

Advertising revenues are generated from the publishing of travel and entertainment deals on the Travelzoo website, in Top 20 email newsletters, in Standalone email newsletters and through the Travelzoo Network. The Company also generates transaction-based commerce revenues in the form of commissions from the sale of vouchers (our Local Deals and Getaways offerings), operation of our hotel booking platform and limited offerings of vacation packages and sales of pre-purchased vouchers or hotel inventory.

Specifically, for fixed-fee website advertising, the Company recognizes revenues ratably over the contracted placement period. For Top 20 email newsletters and other email products, the Company recognizes revenues when the emails are delivered to its members. For cost-per-click advertising, whereby an advertiser pays the Company when a user clicks on an ad (typically

served on Travelzoo properties or Travelzoo Network partner properties), the Company recognizes revenues each time a user clicks on the ad.

For transaction-based advertising revenues, including from products such as Local Deals and Getaways prepaid voucher sales, hotel platform bookings, vacation package sales and sales of pre-purchased vouchers or hotel inventory, the Company evaluates whether it is acting as principal (thereby reporting revenue on a gross basis) versus agent (thereby reporting revenue on a net basis). Accordingly, the Company reports transaction-based advertising revenues on a net basis, as third-party suppliers are primarily responsible for fulfilling the underlying good or service, which the Company does not control prior to its transfer to the customer.

For *Local Deals* and *Getaways* prepaid voucher sales, the Company earns a fee for acting as an agent on the sale, while vouchers can subsequently be redeemed for goods or services with third-party merchants. Commission revenues are, accordingly, presented net of amounts due to third-party merchants for fulfilling the underlying goods and services, and net of estimated future refunds to consumers, as the terms of the vouchers permit. Certain merchant contracts allow the Company to retain the proceeds from unredeemed vouchers. With these contracts, the Company estimates the value of vouchers that will ultimately not be redeemed and records the estimate as revenues in the same period.

In certain scenarios, the Company will pre-purchase vouchers or hotel inventory (in the form of credit amounts, vouchers or gift cards) in bulk from clients and partners (e.g. hotel or spa partners). In those scenarios, the Company is not acting as the agent, but rather as the principal. The pre-purchased vouchers are recorded as inventory, within prepaid expenses and other on the condensed consolidated balance sheet until sold to and purchased by Travelzoo members, at which point, the amount for which the vouchers were sold to Travelzoo members is recognized fully as revenue and the amount for which the vouchers were purchased from the hotel or spa partners is recognized as cost of revenues.

Commission revenues generated from bookings on our hotel platform are recognized ratably over the periods of guest stays, net of an allowance for estimated cancellations, based upon historical patterns. For bookings of non-cancelable reservations, where the Company's performance obligation is deemed to be completed upon the successful booking, the Company records commission revenue at such time.

In certain instances, the Company's contracts with customers may include multiple performance obligations, whereby the Company allocates revenues to each performance obligation based on its standalone selling price. The Company determines standalone selling prices based on overall pricing objectives, taking into consideration the type of goods or services, geographical region of the customers, rate card pricing and customary discounts. Standalone selling prices are generally determined based on the prices charged to customers when the good or service is sold separately.

The Company relies upon certain practical expedients and exemptions provided for in Topic 606. The Company expenses sales commissions when incurred, as the amortization period would be one year or less, which are recorded in sales and marketing expenses. In addition, the Company does not disclose the value of unsatisfied performance obligations for contracts with an original expected length of one year or less, and contracts for which it recognizes revenues at the amount to which it has the right to invoice for services performed.

### **Membership Fee Revenues**

Membership fee revenues are generated from subscription fees paid by Travelzoo and Jack's Flight Club members. We recognize subscription revenues ratably over the applicable subscription periods.

Travelzoo membership has historically been free, however, on January 1, 2024, Travelzoo introduced an annual membership fee of \$40 (or local equivalent) for new members in the United States, Canada, United Kingdom and Germany. The 2024 annual fee was waived for existing members as of December 31, 2023.

### **Other Revenues**

Other revenues include licensing fees and revenues generated from MTE, including but not limited to sales from the existing retail business of MTE.

### **Deferred Revenues**

Deferred revenue primarily consists of deferred membership fees, customer prepayments and undelivered Company performance obligations related to contracts comprising multiple performance obligations. At December 31, 2025, deferred revenue was \$8.7 million of which \$2.2 million was for Jack's Flight Club, and \$6.5 million was for Travelzoo North America and Travelzoo Europe. At December 31, 2024, deferred revenue was \$6.5 million, of which \$2 million was for Jack's Flight Club, and \$4.5 million was for Travelzoo North America and Travelzoo Europe.

**(c) Reserve for Refunds to Members; Merchant Payables**

The Company estimates and records a reserve for future refunds on member purchases of *Local Deals* and *Getaways* vouchers, at the time revenue is recorded. We consider various factors such as historical refund timeframes from dates of sale, reasons for refunds, time periods remaining until expiration, changes in refund procedures and estimates of redemptions and breakage. Should any of these factors change, the estimates made by management will also change, which could impact the level of our future reserve for refunds to members. Specifically, if the financial condition of our merchant partners, on behalf of whom vouchers are sold, were to deteriorate, affecting their ability to provide the goods or services to our members, additional reserves for refunds to members may be required and may adversely affect future revenues as the liability is recorded against revenue.

As of December 31, 2025, the expiration dates of unexpired vouchers are through December 2026; provided, that expiration dates may sometimes be extended on a case-by-case basis and final payments to merchants upon expiration may not be due for up to a year later.

As of December 31, 2025, the Company had approximately \$2.9 million of unredeemed vouchers that had been sold, representing the Company's commission earned. The Company estimated and recorded a refund reserve of \$188,000 for these unredeemed vouchers as of December 31, 2025, which is recorded as a reduction of revenues on the consolidated statements of operations and accrued expenses and other on the consolidated balance sheet. As of December 31, 2024, the Company had approximately \$4.1 million of unredeemed vouchers that had been sold, representing the Company's commission earned, and estimated and recorded a refund reserve of \$144,000 for these unredeemed vouchers as of December 31, 2024, as a reduction of revenues on the consolidated statements of operations and accrued expenses and other on the consolidated balance sheet.

If our judgments regarding estimated member refunds are inaccurate, reported results of operations could differ from amounts previously accrued. Merchant payables of \$11.7 million as of December 31, 2025 is recorded on the consolidated balance sheet, representing amounts payable to merchants by the Company for vouchers sold but not redeemed.

**(d) Business Combinations**

The purchase price of an acquisition is allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values at the acquisition date. To the extent the purchase price exceeds the fair value of the net identifiable tangible and intangible assets acquired and liabilities assumed, such excess is allocated to goodwill. The Company determines the estimated fair values after review and consideration of relevant information, including discounted cash flows, quoted market prices and estimates made by management. The Company records the net assets and results of operations of an acquired entity from the acquisition date and adjusts the preliminary purchase price allocation, as necessary, during the measurement period of up to one year after the acquisition closing date, as it obtains more information as to facts and circumstances existing at the acquisition date impacting asset valuations and liabilities assumed. Acquisition-related costs are recognized separately from the acquisition and are expensed as incurred.

**(e) Identifiable intangible assets**

Upon acquisition, identifiable intangible assets are recorded at fair value and are carried at cost less accumulated amortization. Identifiable intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives. The carrying values of all intangible assets are reviewed for impairment annually, and whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

**(f) Goodwill**

Goodwill represents the excess of the purchase price of an acquired business over the fair value of the underlying net tangible and intangible assets. Goodwill is evaluated for impairment annually, and whenever events or changes in circumstances indicate its carrying value may not be recoverable. The Company performs an impairment test by comparing the book value of the reporting unit to the fair value of the reporting unit utilizing a combination of valuation techniques, including an income approach (discounted cash flows) and market approach (guideline company method). The Company performed its annual impairment testing as of October 31, 2025 and 2024 and no impairment charges were identified in connection with the annual impairment tests.

***(g) Allowance for Expected Losses***

The Company records a provision for credit losses based on its historical experience with uncollectible amounts due and a detailed assessment of accounts receivable and allowance for expected credit losses. In estimating the provision for credit losses, management considers the age of the accounts receivable, historical provisioning and write-offs, creditworthiness of the debtor, the economic conditions of the debtor's industry and general economic conditions, among other factors. Should any of these factors change, estimates made by management may also change, which could impact the level of future provisioning for credit losses. Specifically, if the financial condition of our clients were to deteriorate, affecting their ability to make payments, additional provisioning for credit losses may be required.

***(h) Advertising Costs***

Advertising costs are expensed as incurred. Online advertising is expensed as incurred over the period the advertising is displayed. Advertising costs for Travelzoo North America and Travelzoo Europe amounted to \$10 million and \$2.9 million for the years ended December 31, 2025 and 2024, respectively. Advertising costs for Jack's Flight Club were \$1.8 million and \$1 million for the years ended December 31, 2025 and 2024, respectively. Advertising costs for New Initiatives were \$0 and \$25,000 for the years ended December 31, 2025 and 2024, respectively.

***(i) Operating Leases***

The Company determines if an arrangement contains a lease at inception. Operating lease right-of-use ("ROU") assets and operating lease liabilities are recognized based on the present value of future minimum lease payments due over the lease term, at commencement date. The lease payments used to determine the operating lease assets may include lease incentives and stated rent increases. The Company does not include options to extend or terminate until it is reasonably certain that an option will be exercised. Lease expense is recognized on a straight-line basis over the lease term. The Company uses its incremental borrowing rate based on the information available at the commencement date in determining lease liabilities, as the Company's leases generally do not provide an implicit rate. The Company elected not to recognize leases with an initial term of 12 months or less on its consolidated balance sheets.

The Company's leases are reflected in operating lease ROU assets, operating lease liabilities and long-term operating lease liabilities on our accompanying consolidated balance sheet as of December 31, 2025. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. The Company also has a lease agreement for real estate which it subleases to a third party. The Company recognizes sublease income in Other income (expense), net on a straight-line basis over the sublease term in its consolidated statements of operations.

***(j) Stock-Based Compensation***

The Company accounts for employee stock option grants under the fair value method, which requires stock-based compensation to be estimated using the fair value on the date of grant, employing an option pricing model. The value of the portion of the award that is expected to vest is recognized as expense over the related employees' requisite service periods in the Company's consolidated statements of operations. See Note 9 to the consolidated financial statements for a further discussion of stock-based compensation.

***(k) Foreign Currency***

All foreign subsidiaries use the local currency of their respective countries as their functional currency. Assets and liabilities are translated into U.S. dollars at exchange rates prevailing at the balance sheet dates. Revenues, costs and expenses are translated into U.S. dollars at average exchange rates for the period. Gains and losses resulting from translation are recorded as a component of accumulated other comprehensive income (loss). Realized gains and losses from foreign currency transactions are recognized as gain or loss on foreign currency in the consolidated statements of operations. Total foreign currency transaction net gains of \$235,000 and \$129,000 for 2025 and 2024, respectively, are included in Other income (loss), net in the Company's consolidated statements of operations.

***(l) Income Taxes***

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets are recognized for deductible temporary differences, along with net operating loss carryforwards and credit carryforwards, if it is more likely than not that the tax benefits will be realized. To the extent a deferred tax asset cannot be recognized under the preceding criteria, valuation allowances are established. Deferred tax

assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled.

Significant judgment is required in evaluating the Company's uncertain tax positions and determining the Company's provision for income taxes. Although the Company believes it has adequately reserved for its uncertain tax positions, no assurance can be given that the final outcomes of these matters will not be different. The Company adjusts its reserves in light of changing facts and circumstances, such as the progress or closing of a tax audit or the refinement of an estimate. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact the provision for income taxes in the period in which such determination is made. The provision for income taxes includes the impact of reserve provisions and changes to reserves that are considered appropriate, as well as the related net interest.

***(m) Comprehensive Income***

Comprehensive income consists of two components, net income and other comprehensive income (loss). Other comprehensive income (loss) refers to certain changes in equity that are excluded from net income. For the Company, other comprehensive income (loss) includes foreign currency translation adjustments. Total comprehensive income (loss) for all periods presented has been disclosed in the consolidated statements of comprehensive income.

***(n) Certain Risks and Uncertainties***

The Company's business is subject to risks associated with its ability to attract and retain advertisers and offer goods or services on compelling terms to our members.

The Company's cash, cash equivalents and accounts receivable are potentially subject to concentration of credit risk. Cash and cash equivalents are placed with financial institutions that management believes are of high credit quality. Accounts receivable are derived from revenues earned from customers located in the U.S. and internationally. As of December 31, 2025 and 2024, the Company did not have any customers that accounted for 10% or more its accounts receivable.

As of December 31, 2025, the Company had merchant payables of \$11.7 million related to the sale of vouchers. In the Company's financial statements presented in this 10-K report, following GAAP accounting principles, we classified all merchant payables as current. As such, the consolidated balance sheet reflects negative net working capital (defined as current assets minus current liabilities) of \$10.8 million at December 31, 2025. Payables to merchants are generally due upon the redemption of vouchers by members who purchased them from the Company. As of December 31, 2025, unredeemed vouchers have maturities through December 2026; however, expiration dates may be extended on a case-by-case basis and final payment to merchants upon expiration may not be due for up to a year after. Based on current projections of future redemption activity, management expects that cash on hand as of December 31, 2025 will be sufficient to provide for working capital needs for at least the next twelve months.

***(o) Cash, Cash Equivalents and Restricted Cash***

Cash equivalents consist of highly liquid investments with maturities of three months or less from the date of purchase. Restricted cash includes cash and cash equivalents that is restricted through legal contracts, regulations or our intention to use the cash for a specific purpose. Our restricted cash primarily relates to refundable security deposits for real estate leases and funds held in escrow.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets to the total amounts shown in the statements of cash flows (in thousands):

	December 31, 2025	December 31, 2024
Cash and cash equivalents	\$ 10,007	\$ 17,064
Restricted cash	756	676
Total cash, cash equivalents and restricted cash in the consolidated statements of cash flows	<u>\$ 10,763</u>	<u>\$ 17,740</u>

***(p) Property and Equipment***

Property and equipment are stated at cost less accumulated depreciation. Additions and improvements are capitalized. Maintenance and repairs are expensed as incurred. The Company also includes in fixed assets the capitalized cost of internal-use software and website development, including software used to upgrade and enhance its website and processes supporting the Company's business, in accordance with the framework established and guidance provided by the FASB relating to accounting for the cost of computer software developed or obtained for internal use, and website development costs. Costs incurred in the planning stage and operating stage are expensed as incurred, while costs incurred in the application development stage and infrastructure development stage are capitalized, assuming such costs are deemed to be recoverable.

Depreciation is determined using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are 3 to 5 years for computer hardware and software, capitalized internal-use software and website development costs, and office equipment and furniture. The Company depreciates leasehold improvements over the term of the lease or the estimated useful life of the asset, whichever is shorter.

***(q) Impairment of Property and Equipment***

The Company accounts for long-lived assets in accordance with the accounting standard relating to impairment of long-lived assets, which requires an impairment loss to be recognized on assets to be held and used if the carrying amount of a long-lived asset group is not recoverable from its undiscounted cash flows. The amount of impairment loss is measured as the difference between the carrying amount and the fair value of the asset group. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. The Company evaluates long-lived assets for impairment annually and whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. No impairment loss was recognized during the year ended December 31, 2025 and 2024.

***(r) Recently Adopted Accounting Pronouncements***

In December 2023, the FASB issued ASU 2023-09 "Income Taxes (Topics 740): Improvements to Income Tax Disclosures", to expand the disclosure requirements for income taxes, primarily requiring more detailed disclosure for income taxes paid and the effective tax rate reconciliation. ASU 2023-09 is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted and can be applied on either a prospective or retroactive basis. We adopted ASU 2023-09 for the year ended December 31, 2025 using a prospective transition method. See Note 6—*Income Taxes*.

***(s) Recent Accounting Pronouncements Not Yet Adopted***

On November 4, 2024, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. The guidance requires more detailed disclosure for expenses. This standard is effective for annual reporting periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. We are currently evaluating the ASU to determine its impact on our disclosures.

**Note 2: Net Income (Loss) Per Share**

Basic net income (loss) per share is computed using the weighted-average number of common shares outstanding for the period. Diluted net income per share is computed by adjusting the weighted-average number of common shares outstanding for the effect of dilutive potential common shares outstanding during the period. Potential common shares included in the diluted calculation consist of incremental shares issuable upon the exercise of outstanding stock options calculated using the treasury stock method.

The following table sets forth the calculation of basic and diluted net income (loss) per share (in thousands, except per share amounts):

	Year Ended December 31,	
	2025	2024
<b>Numerator:</b>		
Net income attributable to Travelzoo operations	\$ 4,699	\$ 13,564
<b>Denominator:</b>		
Weighted average common shares—basic	11,180	12,594
Effect of dilutive securities: stock options	297	258
Weighted average common shares—diluted	11,477	12,852
Net income (loss) per share —basic	\$ 0.42	\$ 1.08
Net income (loss) per share—diluted	\$ 0.41	\$ 1.06

### Note 3: Acquisitions

#### *Intangible Assets*

The following table presents the gross fair values and estimated useful lives of intangible assets from acquisitions (in thousands):

	Fair Value	Estimated Life (Years)
Customer relationships (Jack's Flight Club)	\$ 3,500	5.0
Trade name (Jack's Flight Club)	2,460	indefinite

#### **Assets Measured at Fair Value on a Non-recurring Basis**

The Company's non-financial assets, such as goodwill, intangible assets and property and equipment, are adjusted to fair value if an impairment is recognized during the period. The fair value measurements are based on Level 3 inputs which are unobservable inputs based on management assumptions used to measure assets at fair value.

The goodwill assessment was performed by comparing the fair value of the reporting units to their carrying value. The fair value estimates for the reporting units were based on a blended analysis of the present value of future discounted cash flows and the market value approach, using Level 3 inputs. The indefinite-lived intangible assets assessment was performed using the relief-from-royalty method, which includes unobservable inputs, classified as Level 3 inputs, including projected revenues and an approximate 5% royalty rate.

The Company performed an annual impairment test in October 2025 and 2024, and did not identify any indicators of impairment for the years ended December 31, 2025 and 2024.

#### **Amortization of Acquired Intangible Assets**

The following table presents the activities of intangible assets for the years ended December 31, 2025 and 2024 (in thousands):

	Jack's Flight Club	Secret Escapes Spain member database	Secret Escapes U.S. member database
Intangible assets, net—December 31, 2023	\$ 1,710	\$ 186	\$ 195
Amortization of intangible assets with definite lives	(250)	(148)	(195)
Intangible assets, net—December 31, 2024	\$ 1,460	\$ 38	\$ —
Amortization of intangible assets with definite lives	(10)	(38)	—
Intangible assets, net—December 31, 2025	\$ 1,450	\$ —	\$ —

Amortization expense for acquired intangibles was \$48,000 and \$593,000 for the years ended December 31, 2025 and 2024, respectively.

The Company performed its annual impairment testing of Trade name as of October 31, 2025 and 2024 using a relief from royalty method, respectively. No impairment was identified in 2025 and 2024. As of December 31, 2025, the carrying value of the Trade name was \$1.5 million.

**Note 4: Balance Sheet Components**

Prepaid expenses and other consists of the following (in thousands):

	December 31,	
	2025	2024
Prepaid expenses	\$ 829	\$ 921
Deposits	259	83
Inventory	124	—
Other current assets	90	144
<b>Total prepaid expenses and other</b>	<b>\$ 1,302</b>	<b>\$ 1,148</b>

Property and equipment consists of the following (in thousands):

	December 31,	
	2025	2024
Office equipment and furnishings	\$ 2,316	\$ 2,164
Capitalized internal-use software and website development	2,169	2,196
Leasehold improvements	813	763
Computer hardware and software	47	45
Property and equipment	5,345	5,168
Less accumulated depreciation and amortization	(5,114)	(4,745)
<b>Total property and equipment, net</b>	<b>\$ 231</b>	<b>\$ 423</b>

Depreciation expense was \$130,000 and \$209,000 for the years ended December 31, 2025 and 2024, respectively.

Amortization of capitalized internal-use software and website development costs was \$116,000 and \$154,000 for the years ended December 31, 2025 and 2024, respectively. Amortization of acquired intangible assets is presented in Note 3 above.

Changes to the allowance for credit losses and reserve for member refunds are as follows (in thousands):

	Allowance for credit losses	Reserve for member refunds
Balance at December 31, 2023	\$ 1,484	\$ 268
Additions — charged to costs and expenses, or contra revenue	244	152
Deductions — recoveries of amounts previously reserved	(24)	—
Deductions — write-offs or refunds	(92)	(276)
Balance at December 31, 2024	1,612	144
Additions — charged to costs and expenses, or contra revenue	410	222
Deductions — recoveries of amounts previously reserved	(67)	—
Deductions — write-offs or refunds	(733)	(178)
<b>Balance at December 31, 2025</b>	<b>\$ 1,222</b>	<b>\$ 188</b>

Accrued expenses and other consists of the following (in thousands):

	December 31,	
	2025	2024
Accrued compensation expense	\$ 1,485	\$ 1,343
Reserve for member refunds	188	144
Accrued advertising expense	1,041	536
Other accrued expenses	1,212	1,381
<b>Total accrued expenses and other</b>	<b>\$ 3,926</b>	<b>\$ 3,404</b>

At December 31, 2025 and 2024, accounts receivable, accounts payable and accrued expenses are not measured at fair value; however, the Company believes that the carrying amounts of these assets and liabilities are a reasonable estimate of their fair values because of their relative short maturities.

#### Note 5: Commitments and Contingencies

From time to time, the Company is subject to various claims and legal proceedings, either asserted or unasserted, that arise in the ordinary course of business. The Company accrues for legal contingencies if management can estimate the potential liability and believes it is probable that the matter will be ruled on adversely. Accruals for legal contingencies were not material as of December 31, 2025 or 2024. If a legal claim for which the Company did not accrue is resolved against it, the Company would record the expense in the period in which the ruling was made. The Company believes that the likelihood of an ultimate amount of liability, if any, for any pending claims of any type (alone or combined) that will materially affect the Company's financial position, results of operations or cash flows is remote. The ultimate outcome of any litigation is uncertain, however, and unfavorable outcomes could have a material negative impact on the Company's financial condition and operating results. Regardless of outcome, litigation can have an adverse impact on the Company because of defense costs, negative publicity, diversion of management resources and other factors.

The Company leases office space in Canada, France, Germany, Spain, the U.K., and the U.S. under operating leases. Our leases have remaining terms ranging from less than one year to up to five years. The Company maintains standby letters of credit ("LOC") to serve as collateral issued to the landlords. The LOCs are collateralized with cash which is included in the line item "Restricted cash" in the Consolidated Balance Sheets.

Rent expense was \$2.9 million and \$2.7 million for the years ended December 31, 2025 and 2024, respectively. See Note 14—*Leases* for more information.

The Company has purchase commitments aggregating approximately \$733,154 as of December 31, 2025, which represent the minimum obligations the Company has under agreements with certain third-party service providers. These minimum obligations are less than the Company's projected use for those periods. Payments may be more than the minimum obligations based on actual use.

#### Note 6: Income Taxes

The components of income before income tax expense are as follows (in thousands):

	Year Ended December 31,	
	2025	2024
U.S.	\$ 5,713	\$ 12,747
Foreign	1,944	6,339
	<b>\$ 7,657</b>	<b>\$ 19,086</b>

Income tax expense consists of current and deferred components, further categorized by federal, state and foreign jurisdictions, as shown below. The current provision is generally that portion of income tax expense that is currently payable to the taxing authorities. The Company makes estimated payments of these amounts during the year. The deferred tax provision results from changes in the Company's deferred tax assets (future deductible amounts) and tax liabilities (future taxable amounts), which are presented in the table below:

	Current	Deferred (In thousands)	Total
<b>Year Ended December 31, 2025</b>			
Federal	\$ 1,871	\$ (233)	\$ 1,638
State	371	(31)	340
Foreign	995	(294)	701
	<u>\$ 3,237</u>	<u>\$ (558)</u>	<u>\$ 2,679</u>
<b>Year Ended December 31, 2024</b>			
Federal	\$ 3,044	\$ (471)	\$ 2,573
State	877	(19)	858
Foreign	2,001	(28)	1,973
	<u>\$ 5,922</u>	<u>\$ (518)</u>	<u>\$ 5,404</u>

Income tax expense differed from the amounts computed by applying the U.S. federal statutory tax rates applicable to the Company's level of pretax income as a result of the following (in thousands):

	Year Ended December 31, 2024
Federal tax at statutory rates	\$ 4,005
State taxes, net of federal income tax benefit	520
Uncertain tax positions	263
Foreign income taxed at different rates	586
Stock-based compensation	(90)
Other	120
Total income tax expense	<u>\$ 5,404</u>

The effective tax rate of the Company's provision (benefit) for income taxes under ASU 2023-09 differs from the federal statutory rate as follows (in thousands):

	December 31, 2025	
US Federal Statutory Tax Rate	\$ 1,608	21.00 %
Domestic federal		
Nontaxable and nondeductible Items	124	1.62 %
Effect of Cross-Border Tax Laws	(71)	(0.92)%
Other	26	0.35 %
State and Local Income Taxes, Net of Federal Income Tax Effect	239	3.12 %
Foreign Tax Effects		
Canada		
Statutory rate differential	(184)	(2.41)%
Provincial tax	354	4.62 %
Other	(10)	(0.13)%
Other foreign jurisdictions	72	0.94 %
Worldwide changes in unrecognized tax benefits	521	6.80 %
Tax Expense (Benefit) / Effective Tax Rate	<u>2,679</u>	<u>34.99 %</u>

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities as of December 31, 2025 and 2024 are as follows (in thousands):

	December 31,	
	2025	2024
<b>Deferred tax assets:</b>		
Net operating loss and credit carryforwards	\$ 3,548	\$ 3,279
Operating lease liabilities	1,276	1,575
State income taxes	56	117
Accruals and allowances	306	408
Stock-based compensation	648	433
Unrealized foreign exchange losses	290	23
Deferred revenue	1,005	616
Property, equipment and intangible assets	267	266
Capital loss carryforward	403	401
Total deferred tax assets	7,799	7,118
Valuation allowance	(2,806)	(2,806)
Total deferred tax assets net of valuation allowance	4,993	4,312
<b>Deferred tax liabilities:</b>		
Operating lease right-of-use assets	(791)	(932)
Total deferred tax liabilities	(791)	(932)
<b>Net deferred tax assets</b>	<b>\$ 4,202</b>	<b>\$ 3,380</b>

Changes in the deferred tax assets valuation allowance for the years ended December 31, 2025 and 2024 are as follows (in thousands):

	Balance at the beginning of the year	Charged (Credited) to expenses	Charged (Credited) to other account (*)	Balance at end of year
<b>Deferred tax assets valuation allowance</b>				
Year Ended December 31, 2024	\$ 2,878	(72)	—	\$ 2,806
Year Ended December 31, 2025	\$ 2,806	—	—	\$ 2,806

(\*) Amounts not charged (credited) to expenses are charged (credited) to stockholders' equity or deferred tax assets (liabilities).

The cash paid for income taxes (net of refunds) during the year ended December 31, 2025 was as follows (in thousands):

	December 31,	
	2025	
Federal	\$	228
State and Local		
California		*
Illinois		*
Other		86
Foreign		
Canada		1,270
United Kingdom		2,164
Other		87
<b>Total Tax Paid</b>	<b>\$</b>	<b>3,835</b>

\* The amount of income taxes paid during the year does not meet the 5% disaggregation threshold.

As of December 31, 2025, the Company has a valuation allowance of approximately \$2.4 million related to foreign net operating loss (“NOL”) carryforwards of approximately \$14.6 million primarily related to the Company's Asia Pacific entities for which it is more likely than not that the tax benefit will not be realized. The amount of the valuation allowance represented an increase of approximately \$1,000 over the amount recorded as of December 31, 2024, and was due to the increase of deferred tax assets and related valuation allowance for Travelzoo Asia. If not utilized, \$14.6 million of the remaining foreign NOL may be carried forward indefinitely.

As of December 31, 2025, the Company has US federal NOL carryforwards of \$31.2 million as a result of the transaction with MTE. If not utilized, \$7.4 million may be carried forward indefinitely, and \$23.8 million will expire at various times between 2032 and 2037. As of December 31, 2025, the Company has state and local NOL carryforwards of \$119.9 million, which will expire at various times between 2035 and 2044. The Company has not recorded these net operating losses because an uncertain tax position has been recorded relating to them.

As of December 31, 2025, the Company is permanently reinvested in certain Non-U.S. subsidiaries and does not have a deferred tax liability related to its undistributed foreign earnings. The estimated amount of the unrecognized deferred tax liability attributed to future withholding taxes on dividend distributions of undistributed earnings for certain non-U.S. subsidiaries, which the Company intends to reinvest the related earnings indefinitely in its operations outside the U.S., is approximately \$984.7 thousand at December 31, 2025.

The total amount of gross unrecognized tax benefits was \$23.9 million as of December 31, 2025, of which up to \$16.6 million would affect the Company’s effective tax rate if realized. A reconciliation of the beginning and ending amount of gross unrecognized tax benefits in 2024 and 2025 is as follows (in thousands):

Gross unrecognized tax benefits balance at December 31, 2023	23,895
Increase related to current year tax positions	—
Settlements	—
Gross unrecognized tax benefits balance at December 31, 2024	23,895
Increase related to current year tax positions	—
Settlements	—
Gross unrecognized tax benefits balance at December 31, 2025	<u>\$ 23,895</u>

The Company’s policy is to include provisions for interest and penalties related to uncertain and unrecognized tax positions in income tax expense. To the extent accrued interest and penalties do not ultimately become payable, amounts accrued will be reduced and reflected as a reduction in the overall income tax provision in the period that such determination is made. As of December 31, 2025, and December 31, 2024, the Company had approximately \$1.59 million and \$1.1 million in accrued interest, respectively.

The Company files income tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. The Company is subject to U.S. federal and certain state tax examinations for certain years after 2020 and is subject to California tax examinations for years after 2019.

Although the timing of initiation, resolution and/or closure of audits is highly uncertain, it is reasonably possible that the balance of the gross unrecognized tax benefits related to the method of computing income taxes in certain jurisdictions and losses reported on certain income tax returns could significantly change in the next 12 months. These changes may occur through settlement with the taxing authorities or the expiration of the statute of limitations on the returns filed. The Company is unable to estimate the range of possible adjustments to the balance of the gross unrecognized tax benefits.

On July 4, 2025, the One Big Beautiful Bill Act (OBBBA) was signed into law. This legislation includes changes to U.S. federal tax law, which may be subject to further clarification and the issuance of interpretive guidance. We have assessed the legislation and its effect on our consolidated financial statements. The enactment of the OBBBA Act did not have a material impact for the period ended December 31, 2025. We will continue to monitor any future guidance or legislative developments related to the OBBBA Act to assess its potential implications on our tax position.

**Note 7: Accumulated Other Comprehensive Loss**

The following table summarizes changes in accumulated balances of other comprehensive loss (in thousands):

	Year Ended December 31,	
	2025	2024
Beginning balance	\$ (5,327)	\$ (4,607)
Other comprehensive loss due to foreign currency translation, net of tax	(4)	(720)
Ending balance	\$ (5,331)	\$ (5,327)

There were no amounts reclassified from accumulated other comprehensive loss for the years ended December 31, 2025 and 2024. Accumulated other comprehensive loss consists of foreign currency translation gain.

**Note 8: Employee Benefit Plan**

The Company maintains a 401(k) Profit Sharing Plan & Trust (the “401(k) Plan”) for its employees in the United States. The 401(k) Plan allows employees of the Company to contribute up to 80% of their eligible compensation, subject to certain limitations. Since 2006, the Company has matched employee contributions up to \$1,500 per year. Employee contributions are fully vested upon contribution, whereas the Company’s matching contributions are fully vest after the first year of service. The Company also has various defined contribution plans for its international employees. The Company’s contributions to these benefit plans were approximately \$832,000 and \$730,000 for the years ended December 31, 2025 and 2024, respectively.

**Note 9: Stock-Based Compensation and Stock Options**

The Company accounts for its employee stock options under the fair value method, which requires stock-based compensation to be estimated using the fair value on the date of grant, employing an option-pricing model. The value of the portion of awards expected to vest is recognized on a straight-line basis as expense over the related employees’ requisite service periods in the Company’s consolidated statements of operations.

In September 2019, pursuant to executed Option Agreements, the Company granted six employees stock options to purchase 50,000 shares of common stock each (300,000 in the aggregate) with an exercise price of \$10.79, of which 75,000 options vest and become exercisable annually starting on September 5, 2020 and ending on December 31, 2023. The options expire in September 2024. On May 29, 2020, the shareholders of the Company approved the grants, as well as certain amendments to the Option Agreements, which increased and repriced all outstanding, unexercised options granted to such employees. Pursuant to the applicable amendments, the exercise price for the options was repriced to the official NASDAQ closing share price on March 30, 2020 (the date of execution of the amendments to the Option Agreements, which immediately followed the date of approval of the grants from the Board of Directors of the Company), which was \$3.49, the option grants were each increased to 100,000 each, resulting in 300,000 additional options in the aggregate. In 2020, 100,000 unvested options were forfeited upon an employee's departure, 75,000 options were exercised and 54,258 shares of common stock were issued as the result of a cashless exercise which were approved by Travelzoo’s Board of Directors. In 2021, 125,000 unvested options were forfeited upon employees’ departure, 150,000 options were exercised and 88,917 shares of common stock were issued as the result of the cashless exercises or net settlement with respect to the option exercise price which were approved by Travelzoo’s Board of Directors. No option was exercised in 2022. In 2023, 50,000 options were exercised and 18,098 shares of common stock were issued as the result of the cashless exercises or net settlement with respect to the option exercise price which were approved by Travelzoo’s Board of Directors. As of December 31, 2023, stock-based compensation related to these Option Agreements and applicable Option Agreement Amendments were fully expensed. In 2024, 75,000 options were exercised and 27,546 shares of common stock were issued as the result of the cashless exercises or net settlement with respect to the option exercise price which was approved by Travelzoo’s Board of Directors. As of December 31, 2024, all options granted under these Option Agreements have been exercised or forfeited.

On May 29, 2020, pursuant to an executed Option Agreement, the shareholders of the Company approved the grant of stock options to purchase 800,000 shares of common stock to Mr. Ralph Bartel, Chairman of the Board of Directors of the Company at the time, with an exercise price of \$3.49 and quarterly vesting beginning June 30, 2020 and ending on March 31, 2022. This grant was approved at the 2020 Annual Meeting of the shareholders. In 2021, 600,000 options were exercised and 390,809 shares of common stock were issued as the result of the cashless exercises which were approved by Travelzoo’s Board of Directors. Stock-based compensation related to this grant was fully expensed in 2022. In 2023, 200,000 options were exercised and 121,307 shares of common stock were issued as the result of the cashless exercises which were approved by Travelzoo’s Board of Directors. The options expired in March 2025.

On May 29, 2020, pursuant to an executed Option Agreement, the shareholders of the Company approved the grant of stock options to purchase 200,000 shares of common stock to two key employees, with an exercise price of \$3.49 with annual vesting starting March 30, 2021 and ending on March 31, 2024. The options expired in March 2025. In 2021, 50,000 options were exercised and 24,474 shares of common stock were issued as the result of cashless exercises which were approved by Travelzoo's Board of Directors. In 2022, 50,000 unvested options were forfeited upon one employee's departure, 25,000 options were exercised and 4,676 shares of common stock were issued as the result of cashless exercise or net settlement with respect to the option exercise price which were approved by Travelzoo's Board of Directors. In 2023, 50,000 options were exercised and 16,619 shares of common stock were issued as the result of the cashless exercise which were approved by Travelzoo's Board of Directors. In 2024, 25,000 options were exercised and 8,420 shares of common stock were issued as the result of the cashless exercises or net settlement with respect to the option exercise price which was approved by Travelzoo's Board of Directors. Stock-based compensation related to this grant was fully expensed in 2024 and all options granted under this Option Agreement have been exercised or forfeited as of December 31, 2025.

On June 1, 2021, pursuant to an executed Option Agreement, the shareholders of the Company approved the grant of stock options to purchase 50,000 shares of common stock to one employee, with an exercise price of \$9.44, with annual vesting starting January 1, 2022 and ending on January 1, 2025. The options expire in 2026. In 2024, 37,500 options were exercised and 3,358 shares of common stock were issued as the result of the cashless exercises or net settlement with respect to the option exercise price which was approved by the Company's Board of Directors. As of December 31, 2025, 12,500 options were vested and outstanding. Stock-based compensation related to this grant was fully expensed in 2024. The options expired in 2026.

In March 3, 2022, pursuant to an executed Option Agreement, the Company granted its Global Chief Executive Officer, Holger Bartel, options to purchase 600,000 shares of common stock of the Company, with an exercise price of \$8.14 and vesting 25% every six months over two years beginning on June 30, 2022 and ending on December 31, 2023. The options expire in March 2027. This grant was approved at the 2022 Annual Meeting of the shareholders. In 2024, 200,000 options were exercised and 53,753 shares of common stock were issued as the result of the cashless exercises or net settlement with respect to the option exercise price which was approved by Travelzoo's Board of Directors. As of December 31, 2025, 400,000 options were vested and outstanding. Stock-based compensation related to this grant was fully expensed in 2023.

In June 2022, the Company granted an employee options to purchase 100,000 shares of common stock with an exercise price of \$6.78 and quarterly vesting beginning on September 30, 2022 and ending on June 30, 2025 with vesting based on both time-based service condition and also performance conditions. However, if the performance targets are not met as of the first date on which the time condition is met, the time condition may be extended by one quarter up to three times. The options expire in June 2027. The Company did not recognize stock-based compensation expense for this grant as the performance targets were not achieved and thus no shares were vested in 2022. Total stock-based compensation related to this option grant of \$89,000 was recorded in sales and marketing expenses for 2023, with 25,000 shares were vesting. Total stock-based compensation related to this option grant of \$89,000 was recorded in sales and marketing expenses for 2024, with 25,000 shares vesting. Total stock-based compensation related to this option grant of \$89,000 was recorded in sales and marketing expenses for 2025, with 25,000 shares vesting. Stock-based compensation related to this grant was fully expensed in 2025.

In March 2023, the Company granted its General Counsel and Head of Global Functions, Christina Sindoni Ciocca, options to purchase 200,000 shares of common stock of the Company, with an exercise price of \$4.96 and vesting 12.5% every six months over four years beginning on June 30, 2023 and ending on December 31, 2026. This grant was approved at the Annual Meeting of Stockholders held in June 2023. The options expire in March 2028. Total stock-based compensation related to this option grant of \$139,000 was recorded in general and administrative expenses for each the year ended December 31, 2025 and 2024, respectively. In 2024, 75,000 options were exercised and 19,584 shares of common stock were issued as the result of the cashless exercises or net settlement with respect to the option exercise price which was approved by Travelzoo's Board of Directors. In 2025, 25,000 options were exercised and 7,890 shares of common stock were issued as the result of the cashless exercises or net settlement with respect to the option exercise price which was approved by Travelzoo's Board of Directors. As of December 31, 2025, there was approximately \$139,000 of unrecognized stock-based compensation expense relating to these options. This amount is expected to be recognized over 1.0 year.

In March 2024, the Compensation Committee of the Board of Directors granted Holger Bartel 600,000 stock options that vest through December 31, 2025. On April 26, 2024, pursuant to an executed Option Agreement, the shareholders of the Company approved to grant Holger Bartel, options to purchase 600,000 shares of common stock of the Company, with an exercise price of \$8.58 and vesting 25.0% every six months over two years beginning on June 30, 2024 and ending on December 31, 2025. The options expire in March 2029. Stock-based compensation related to this grant was fully expensed in 2025.

The Company recorded \$1.4 million of stock-based compensation in general and administrative expenses for the year ended December 31, 2025.

The Company utilizes the Black-Scholes option pricing model to value the stock options, with an expected life as defined under the simplified method, using an average of the contractual term and vesting period of the stock options, and risk-free interest rates based on the U.S. Treasury yield curve in effect at the time of grant. Historical volatility is calculated based upon implied volatility of the Company's historical stock prices. The Company accounts for forfeitures as they occur.

There were no stock options granted in 2025. The fair value of stock options granted in 2024 was estimated using the Black-Scholes option pricing model with the following weighted-average assumptions:

	2025	2024
Weighted-average fair value of options granted per share	\$ —	\$ 4.06
Historical volatility	—%	64%
Risk-free interest rate	—%	4.84%
Dividend yield	—	—
Expected life in years	0.0	3.1

As of December 31, 2025, there was approximately \$139,000 of unrecognized stock-based compensation expense related to outstanding stock options, expected to be recognized over 0.2 years.

Option activities during the years ended December 31, 2023, 2024 and 2025 were as follows:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life	Aggregate Intrinsic Value  (In thousands)
Outstanding at December 31, 2023	1,050,000	\$ 7.02	3.11 years	
Options Granted	600,000	8.58		
Exercised options	(462,500)	6.74		
Options forfeited and canceled	(8,333)	6.78		
Outstanding at December 31, 2024	1,179,167	\$ 7.99	3.33 years	
Options Granted	—	\$ —		
Exercised options	(25,000)	\$ 4.96		
Options forfeited and canceled	—	—		
Outstanding at December 31, 2025	1,154,167	\$ 8.06	2.33 years	\$ (1,129)
Exercisable and fully vested at December 31, 2025	1,104,167		2.34 years	\$ (1,235)
Outstanding at December 31, 2025 and expected to vest thereafter	50,000		2.18 years	\$ 106

The aggregate intrinsic values in the table above represent the total pre-tax intrinsic values (the difference between the Company's closing stock price on the last trading day of the year ended December 31, 2025 and the exercise price, multiplied by the number of in-the-money options) that would have been received by the option holders, had all option holders exercised their options on December 31, 2025. These amounts change based on the fair value of the Company's stock. The Company's policy is to issue shares from authorized shares to fulfill stock option exercises.

Outstanding options at December 31, 2025 were as follows:

Exercise Price	Options Outstanding	Options Outstanding Weighted-Average Remaining Contractual Life	Weighted-Average Exercise Price	Options Outstanding and Exercisable	Options Exercisable Weighted-Average Remaining Contractual Life
\$ 4.96	100,000	2.18 years	\$ 4.96	50,000	2.18 years
\$ 6.78	41,667	1.42 years	\$ 6.78	41,667	1.42 years
\$ 8.14	400,000	1.17 years	\$ 8.14	400,000	1.17 years
\$ 8.58	600,000	3.24 years	\$ 8.58	600,000	3.24 years
\$ 9.44	12,500	0.00 years	\$ 9.44	12,500	0.00 years

#### Note 10: Stock Repurchase Program

The Company's stock repurchase programs assist in offsetting the impact of dilution from employee equity compensation and with capital allocation. Management is allowed discretion in the execution of repurchase programs, based upon market conditions and consideration of capital allocation.

On October 24, 2023, the Company announced that its board of directors authorized the repurchase of up to 1,000,000 shares of the Company's outstanding common stock. In 2023, the Company repurchased 600,000 shares of common stock for an aggregate purchase price of \$5.0 million, excluding excise tax due under the Inflation Reduction Act of 2022, with such shares retired and recorded as a reduction of additional paid-in capital. In 2024, the Company repurchased the remaining 400,000 shares of common stock for an aggregate purchase price of \$3.9 million, excluding excise tax due under the Inflation Reduction Act of 2022, with such shares retired and recorded as a reduction of additional paid-in capital until extinguished with the remaining amount reflected as a reduction of retained earnings.

On April 30, 2024, the Company announced that its board of directors authorized the repurchase of up to 1,000,000 shares of the Company's outstanding common stock. In 2024, the Company repurchased 1,000,000 shares of common stock for an aggregate purchase price of \$8.8 million, excluding excise tax due under the Inflation Reduction Act of 2022, with such shares retired and recorded as a reduction of additional paid-in capital until extinguished with the remaining amount reflected as a reduction of retained earnings.

On June 15, 2024, the Company entered into a Stock Repurchase Agreement with Mr. Holger Bartel to privately repurchase an aggregate of 200,000 shares of the Company's common stock for an aggregate purchase price of \$1.5 million, excluding excise tax due under the Inflation Reduction Act of 2022, with such shares retired and recorded as a reduction of additional paid-in capital until extinguished with the remaining amount reflected as a reduction of retained earnings. This transaction was approved by the Compensation Committee of the Board of Directors. See Note 12: Related Party Transactions for further information.

On October 23, 2024, the Company announced that its board of directors authorized the repurchase of up to 1,000,000 shares of the Company's outstanding common stock. In 2024, the Company repurchased 88,471 shares of common stock for an aggregate purchase price of \$1.50 million, excluding excise tax due under the Inflation Reduction Act of 2022, with such shares retired and recorded as a reduction of additional paid-in capital until extinguished with the remaining amount reflected as a reduction of retained earnings. For year ended December 31, 2025, the Company repurchased 911,529 shares of common stock for an aggregate purchase price of \$12.9 million, excluding excise tax due under the Inflation Reduction Act of 2022, with such shares retired and recorded as a reduction of additional paid-in capital until extinguished with the remaining amount reflected as a reduction of retained earnings.

On March 5, 2026, the Company announced that its board of directors authorized the repurchase of up to 1,000,000 shares of the Company's outstanding common stock.

#### Note 11: Segment Reporting and Significant Customer Information

During 2025, the Company had four reportable operating segments: Travelzoo North America, Travelzoo Europe, Jack's Flight Club and New Initiatives. Travelzoo North America consists of the Company's operations in the U.S. and Canada. Travelzoo Europe consists of the Company's operations in France, Germany, Spain and the U.K. Jack's Flight Club consists of subscription revenues from premium members to access and receive flight deals from Jack's Flight Club via email or mobile applications. New Initiatives consists of Travelzoo's licensing activities in certain Asia Pacific territories, the Travelzoo META subscription service and MTE.

Our chief operating decision maker ("CODM") is our Global Chief Executive Officer. The CODM primarily use operating income (loss) to evaluate each segment's performance allocate resources and make capital investments. We allocate certain software and license costs, such as IT and customer support, across all segments but do not allocate expenses such as legal-related costs or income taxes. Financial information is utilized along with forecasts to enable the CODM to manage our business across all operating segments.

For the year ended December 31, 2025, Travelzoo North America operations comprised 66% of revenues, Travelzoo Europe operations comprised 28% of revenues and Jack's Flight Club comprised 6% of revenues.

The following is a summary of operating results by business segment (in thousands):

Year Ended December 31, 2025	Travelzoo North America	Travelzoo Europe	Jack's Flight Club	New Initiatives	Consolidated
Revenues from unaffiliated customers	\$ 59,001	\$ 27,122	\$ 5,516	\$ 80	\$ 91,719
Intersegment revenues	1,291	(1,146)	(145)	—	—
Total net revenues	60,292	25,976	5,371	80	91,719
Sales and marketing (1)	25,501	17,396	2,370	—	45,267
Other costs and expenses (2)	25,795	10,895	2,663	195	39,548
Operating income (loss)	\$ 8,996	\$ (2,315)	\$ 338	\$ (115)	\$ 6,904
Other income, net					\$ 753
Income from continuing operations before income taxes					\$ 7,657

(1) Includes advertising and promotional costs, employee-related expenses for sales, marketing, and production teams, conference participation costs, professional services, public relations expenses, and facilities costs.

(2) Includes costs and expenses related to cost of revenues, product development, and general and administrative. Travelzoo North America and Travelzoo Europe general and administrative expenses include stock based compensation of \$1.4 million and \$0, respectively.

Year Ended December 31, 2024	Travelzoo North America	Travelzoo Europe	Jack's Flight Club	New Initiatives	Consolidated
Revenues from unaffiliated customers	\$ 54,968	\$ 24,113	\$ 4,714	\$ 107	\$ 83,902
Intersegment revenues	124	(42)	(82)	—	—
Total net revenues	\$ 55,092	\$ 24,071	\$ 4,632	\$ 107	\$ 83,902
Sales and marketing (1)	19,748	12,561	1,881	280	34,470
Other costs and expenses (2)	19,461	8,429	2,707	337	30,934
Operating income (loss)	\$ 15,883	\$ 3,081	\$ 44	\$ (510)	\$ 18,498
Other income, net					\$ 588
Income from continuing operations before income taxes					\$ 19,086

(1) Includes advertising and promotional costs, employee-related expenses for sales, marketing, and production teams, conference participation costs, professional services, public relations expenses, and facilities costs.

(2) Includes costs and expenses related to cost of revenues, product development, and general and administrative. Travelzoo North America and Travelzoo Europe general and administrative include stock based compensation of \$1.5 million and \$0, respectively.

A measure of segment assets is not currently provided to the Chief Operating Decision Maker and has therefore not been provided.

As of December 31, 2025, the Company did not have any customers that accounted for 10% or more of revenue. For the year ended December 31, 2024, the Company had one customer that accounted for more than 10% of revenues at \$8.8 million across Travelzoo North America and Travelzoo Europe. As of December 31, 2025 and 2024, the Company did not have any customers that accounted for 10% or more of accounts receivable.

The following table sets forth the breakdown of revenues (in thousands) by category Advertising and Commerce, Membership Fees, and Other. Advertising and Commerce includes travel publications (*Top 20*, *Travelzoo* website, *Standalone* email newsletters, *Travelzoo Network*), *Getaways* vouchers, hotel platform, vacation packages, *Local Deals* vouchers and entertainment offers (vouchers and direct bookings). Membership Fees includes subscription fees paid by Travelzoo, Jack's Flight Club and Travelzoo META members. Other includes licensing fees from license agreements and the retail business acquired with MTE.

	Year Ended December 31,	
	2025	2024
Advertising and Commerce	\$ 78,446	\$ 78,396
Membership Fees	13,193	5,399
Other	80	107
Total revenues	\$ 91,719	\$ 83,902

The following table sets forth revenues for individual countries that comprised 10% or more of total revenue (in thousands):

Revenue	Year Ended December 31,	
	2025	2024
United States	\$ 55,301	\$ 49,473
United Kingdom	19,894	20,607
Rest of the world	16,524	13,822
Total revenues	\$ 91,719	\$ 83,902

The Company disaggregates its revenue by geographic region based on the location of the legal entity providing the service.

## Note 12: Related Party Transactions

### Stock Repurchase Agreements

Travelzoo, from time to time, engages in share repurchases. On June 15, 2024, the Company entered into a Stock Repurchase Agreement (the "First SRA") with Holger Bartel, the Company's Global Chief Executive Officer, to repurchase an aggregate of 200,000 shares of the Company's common stock at a price of \$7.66 per share. The Compensation Committee of the Board of Directors negotiated the purchase price with Holger Bartel after receiving advice from an independent financial adviser. The aggregate purchase price of \$1.5 million was paid during the second quarter of 2024, following the execution of the First SRA.

On September 5, 2024, the Company entered into a Stock Repurchase Agreement (the "Second SRA") with Holger Bartel, the Company's Global Chief Executive Officer, to repurchase an aggregate of 200,000 shares of the Company's common stock at a price of \$11.44 per share. The Compensation Committee of the Board of Directors negotiated the purchase price with Holger Bartel after receiving advice from an independent financial adviser. The aggregate purchase price of \$2.4 million was paid in 2024, following the execution of the Second SRA.

### Consulting Agreement with Ralph Bartel

On January 1, 2023, with the unanimous approval of the Audit Committee, the Company entered into a Consulting Agreement with Ralph Bartel (the "Consulting Agreement"). The Consulting Agreement was amended and renewed, effective January 1, 2026. Ralph Bartel, who founded Travelzoo, is the sole beneficiary of the Ralph Bartel 2005 Trust, which is the controlling shareholder of Azzurro. Azzurro is the Company's largest shareholder. Pursuant to the Consulting Agreement, Mr. Bartel provides strategic advisory for Travelzoo META, advisory on talent search, performance management consulting, strategic advisory to IT and brand strategy and public relations support. In 2025, the fee payable to Mr. Bartel pursuant to the Consulting Agreement was \$313,000, included within General and Administrative expenses. In 2024, the fee payable to Mr. Bartel was \$164,000.

### Framework Agreement with Talenti Milanesi S.R.L.

On February 28, 2019, with the unanimous approval of the Audit Committee, the Company entered into a Framework Agreement (the “Framework Agreement”) with Donna Elissa S.R.L. (“Donna Elissa”), a company controlled by Azzurro. Azzurro is the Company’s largest shareholder. Pursuant to the Framework Agreement, Donna Elissa provided certain strategic services to the Company, including the engagement of contractors and provision of office space in Milan. On January 24, 2025, the Audit Committee unanimously approved the assignment of Donna Elissa’s rights and obligations under the Framework Agreement to Talenti Milanesi S.R.L. (“Talent”). In 2025, the aggregate fee payable to Donna Elissa and Talenti pursuant to the Framework Agreement was \$208,000.

### Note 13: Non-Controlling Interest

The Company’s consolidated financial statements include Jack's Flight Club, which the Company has operating control over but owns a 60% equity interest in.

Non-controlling interest for the years ended December 31, 2025 and 2024 was as follows (in thousands):

Non-controlling interest—December 31, 2023	\$	4,697
Net Income attributable to non-controlling interest		118
Non-controlling interest—December 31, 2024	\$	4,815
Net Income attributable to non-controlling interest		279
Non-controlling interest—December 31, 2025	\$	5,094

### Note 14: Leases

The Company has operating leases for real estate and certain equipment. The Company leases office space in Canada, Germany, Spain, the U.K. and the U.S. under operating leases. Our leases have remaining lease terms ranging from less than one year to up to five years. Certain leases include one or more options to renew. In addition, we sublease certain real estate to a third party. All of our leases qualify as operating leases.

The following table summarizes the components of lease expense for the years ended December 31, 2025 and 2024 (in thousands):

	Year Ended December 31,	
	2025	2024
Operating lease cost	\$ 2,266	\$ 2,133
Short-term lease cost	617	544
Variable lease cost	428	496
Total lease cost	\$ 3,311	\$ 3,173

Cash payments against the operating lease liabilities totaled \$3.5 million and \$3.4 million for the years ended December 31, 2025 and 2024. ROU assets obtained in exchange for lease obligations was and \$321,000 and \$1.3 million for the year ended December 31, 2025 and 2024, respectively.

The following table summarizes the presentation in our consolidated balance sheets of our operating leases (in thousands):

	Year Ended December 31,	
	2025	2024
<b>Assets:</b>		
Operating lease right-of-use assets	\$ 4,047	\$ 5,655
<b>Liabilities:</b>		
Operating lease liabilities	\$ 1,811	\$ 2,472
Long-term operating lease liabilities	4,184	5,646
Total operating lease liabilities	\$ 5,995	\$ 8,118
Weighted average remaining lease term (years)	3.84	4.43
Weighted average discount rate	4.1 %	4.8 %

Maturities of remaining lease liabilities at December 31, 2025 were as follows (in thousands):

Years ending December 31,	
2026	\$ 2,984
2027	1,509
2028	1,464
2029	1,454
2030	225
Total lease payments	7,636
Less interest	(1,641)
Present value of operating lease liabilities	\$ 5,995

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**Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

None

**Item 9A. Controls and Procedures****Evaluation of Disclosure Controls and Procedures**

Disclosure controls and procedures are defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), to mean controls and other procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

At the end of the period covered by this Annual Report on Form 10-K an evaluation was carried out under the supervision of and with the participation of our management, including the Chief Executive Officer (CEO), Financial Controller, North America and General Counsel and Head of Global Functions, of the effectiveness of the design and operations of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act). Based on this evaluation, our management concluded that our disclosure controls and procedures were effective as of December 31, 2025.

Management believes that our consolidated financial statements included in this Annual Report on Form 10-K have been prepared in accordance with US GAAP. Our management have certified that, based on such officer’s knowledge, the consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report.

**Changes in Internal Control Over Financial Reporting**

During the year ended December 31, 2025, there were no changes in our internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that materially affected, or are reasonably likely to materially affect, the Company’s internal controls over financial reporting.

## Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f)) to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles.

Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2025, the end of our fiscal year. Management based its assessment on criteria established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on this assessment, management has concluded that our internal control over financial reporting was effective as of December 31, 2025 for the reasons discussed above.

This Annual Report on Form 10-K does not include an attestation report of our registered public accounting firm on our internal control over financial reporting because we are a smaller reporting company and are not subject to auditor attestation requirements under applicable SEC rules.

/s/ HOLGER BARTEL

Holger Bartel  
*Global Chief Executive Officer*

/s/ JEFF HOFFMAN

Jeff Hoffman  
*Financial Controller, North America*

March 11, 2026

### **Item 9B. Other Information**

Not applicable.

### **Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

Not applicable.

## PART III

### **Item 10. *Directors, Executive Officers and Corporate Governance***

Information required by this item is incorporated by reference to Travelzoo's definitive Proxy Statement for the 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of Travelzoo's fiscal year ended December 31, 2025 and is incorporated herein by reference.

The Company has adopted a Code of Ethics applicable to all officers, directors and employees. The Code of Ethics is available under the "Code of Ethics" link under the "Governance" dropdown menu on our Investor Relations website (ir.travelzoo.com). In the event that we amend or waive any of the provisions of the Code of Ethics that relate to any element of the code of ethics definition enumerated in Item 406(b) of Regulation S-K, we intend to disclose such amendment or waiver at the same location on our website.

The Company has adopted an Insider Trading Policy that governs the purchase, sale, and/or dispositions of the Company's securities by directors, officers, and employees and is reasonably designed to promote compliance with insider trading laws, rules, and regulations, and any listing standards applicable to the Company. A copy of the Company's Insider Trading Policy is filed as Exhibit 19.1 to this Form 10-K.

### **Item 11. *Executive Compensation***

Information regarding executive compensation and compensation committee interlocks is incorporated by reference to the information in the definitive Proxy Statement relating to our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025, which is incorporated herein by reference.

### **Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

Information regarding security ownership of certain beneficial owners and management and related stockholder matters is incorporated by reference to the information in the definitive Proxy Statement relating to our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025, which is incorporated herein by reference.

### **Item 13. *Certain Relationships and Related Transactions, and Director Independence***

Information regarding certain relationships and related transactions, and director independence is incorporated by reference to the information set forth in the definitive Proxy Statement relating to our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025, which is incorporated herein by reference.

### **Item 14. *Principal Accountant Fees and Services***

Information regarding principal accountant fees and services is set forth in the definitive Proxy Statement relating to our 2026 Annual Meeting of Stockholders, which is incorporated herein by reference.

## PART IV

### Item 15. Exhibits and Financial Statement Schedules

The following documents are filed as part of this report:

(1) *Our Consolidated Financial Statements are included in Part II, Item 8:*

	Page
Report of KPMG LLP—Independent Registered Public Accounting Firm	<a href="#">39</a>
Consolidated Balance Sheets	<a href="#">41</a>
Consolidated Statements of Operations	<a href="#">42</a>
Consolidated Statements of Comprehensive Income	<a href="#">43</a>
Consolidated Statement of Stockholders' Equity (Deficit)	<a href="#">44</a>
Consolidated Statements of Cash Flows	<a href="#">45</a>
Notes to Consolidated Financial Statements	<a href="#">46</a>

(2) *Supplementary Consolidated Financial Statement Schedules:*

All schedules are omitted because of the absence of conditions under which they are required or because the required information is included in the consolidated financial statements or notes thereto.

(3) *Exhibits:*

See attached Exhibit Index

## EXHIBIT INDEX

Exhibit Number	Description
<a href="#">3.1</a>	— Certificate of Incorporation of Travelzoo (Incorporated by reference to our Pre-Effective Amendment No. 6 to our Registration Statement on Form S-4 (File No. 333-55026), filed February 14, 2002).
<a href="#">3.2</a>	— Certificate of Amendment of Certificate Incorporation of Travelzoo (File No. 000-50171), filed May 10, 2017)
<a href="#">3.3</a>	— Certificate of Amendment of Certificate of Incorporation of Travelzoo (Incorporated by reference to our Schedule 14A (File No. 000-50171), filed April 1, 2019)
<a href="#">3.4</a>	— Amended and Restated By-laws of Travelzoo (Incorporated by reference to Exhibit 3.4 on Form 8-K (File No. 000-50171), filed April 5, 2022).
<a href="#">4.1*</a>	— Description of the Company’s Common and Preferred Stock (Incorporated by reference to Exhibit 4.1 on Form 10-K (File No. 000-50171), filed March 31, 2021)
<a href="#">4.2</a>	— Registration Statement on Form S-8 (File No. 333-279727), filed May 24, 2024
<a href="#">10.1</a>	— Form of Director and Officer Indemnification Agreement (Incorporated by reference to Exhibit 10.1 on Form 10-Q (File No. 000-50171), filed November 9, 2007)
<a href="#">19.1</a>	— Travelzoo Insider Trading Policy, dated September 29, 2023
<a href="#">21.1†</a>	— Subsidiaries of Travelzoo
<a href="#">23.1†</a>	— Consent of KPMG LLP, Independent Registered Public Accounting Firm
<a href="#">24.1†</a>	— Power of Attorney (included on signature page)
<a href="#">31.1†</a>	— Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
<a href="#">31.2†</a>	— Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
<a href="#">32.1†</a>	— Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
<a href="#">32.2†</a>	— Certification of Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

<a href="#">97†</a>	—	Travelzoo Clawback Policy, dated October 10, 2022
101.INS‡	—	XBRL Instance Document
101.SCH‡	—	XBRL Taxonomy Extension Schema Document
101.CAL‡	—	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF‡	—	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB‡	—	XBRL Taxonomy Extension Label Linkbase Document
101.PRE‡	—	XBRL Taxonomy Extension Presentation Linkbase Document

\* This exhibit is a management contract or a compensatory plan or arrangement.

‡ Filed herewith

† Furnished herewith

**Item 16. Form 10-K Summary**

None.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TRAVELZOO

By:           /s/ JEFF HOFFMAN

Jeff Hoffman

Financial Controller, North America

Date: March 11, 2026

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Jeff Hoffman as his or her attorney-in-fact, with full power of substitution, for him or her in any and all capacities, to sign any and all amendments to this Form 10-K, with all exhibits and any and all documents required to be filed with respect thereto, with the Securities and Exchange Commission or any regulatory authority, granting unto such attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in order to effectuate the same as fully to all intents and purposes as he or she might or could do if personally present, hereby ratifying and confirming all that such attorney-in-fact and agent or his substitute or substitutes, may lawfully do or cause to be done.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

<u>Signatures</u>	<u>Title(s)</u>	<u>Date</u>
<u>          /s/ CHRISTINA SINDONI CIOCCA</u> Christina Sindoni Ciocca	Chair of the Board of Directors	March 11, 2026
<u>          /s/ HOLGER BARTEL</u> Holger Bartel	Global Chief Executive Officer	March 11, 2026
<u>          /s/ JEFF HOFFMAN</u> Jeff Hoffman	Financial Controller, North America	March 11, 2026
<u>          /s/ VOLODYMYR CHEREVKO</u> Volodymyr Cherevko	Director	March 11, 2026
<u>          /s/ MICHAEL KARG</u> Michael Karg	Director	March 11, 2026
<u>          /s/ CARRIE LIQUN LIU</u> Carrie Liqun Liu	Director	March 11, 2026
<u>          /s/ SHARRY SUN</u> Sharry Sun	Director	March 11, 2026

**TRAVELZOO  
INSIDER TRADING POLICY  
Last Updated: September 29, 2023**

**TRAVELZOO  
INSIDER TRADING POLICY**

**1.0 PURPOSE AND SCOPE.**

This Insider Trading Policy (this “**Policy**”) provides guidelines with respect to transactions involving securities of Travelzoo (including its direct and indirect subsidiaries, “**Travelzoo**”). Travelzoo has adopted this Policy to promote compliance by Insiders (as defined below) with applicable laws that prohibit certain persons who are aware of Material Nonpublic Information (as defined below) about a company from: (i) trading in securities of that company; or (ii) providing Material Nonpublic Information to other persons who may trade on the basis of that information.

This Policy applies to (i) directors, officers, and employees of Travelzoo, (ii) such persons’ Family Members (as defined below), and (iii) Travelzoo contractors and consultants who have access to Material Nonpublic Information concerning Travelzoo (collectively, “**Insiders**”).

**2.0 CERTAIN DEFINED TERMS.**

**2.1 Executive Officers.** The officers listed as “executive officers” in Travelzoo’s annual proxy statement.

**2.2 Family Members:** Family members of a person, including a spouse, who reside with such person, anyone else who lives in such person’s household, and any family members who do not live in such person’s household but whose transactions in Travelzoo Securities (as defined below) are directed by such person or are subject to such person’s influence or control (e.g., parents or children who consult with such person before they trade in Travelzoo Securities).

**2.3 Restricted Insiders:** Members of the Board of Directors, Executive Officers and certain other employees who may be notified from time to time by the Corporate Secretary that they are Restricted Insiders, including certain members of Travelzoo’s Finance department.

**2.4 Material Nonpublic Information:** Any information that a reasonable investor would consider important in making a decision to purchase, hold, or sell securities that has not been disclosed generally to the investing public in a manner that complies with applicable securities laws (e.g., by a press release or in a report filed with the U.S. Securities and Exchange Commission (the “**SEC**”).

**2.5 Travelzoo Securities:** Any securities issued by or related to Travelzoo.

**3.0 THE POLICY**

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### 3.1 Restrictions Applicable to all Insiders

- a. General Prohibition on Insider Trading. If an Insider has Material Nonpublic Information relating to Travelzoo, it is Travelzoo's policy that neither that person nor any Family Member of such person may buy or sell Travelzoo Securities or engage in any other action to take advantage of, or pass on to others, that information.
- Whether or not it is during one of the blackout periods set forth below, you may **not** trade in Travelzoo Securities when you have knowledge of material information concerning Travelzoo which has not been disclosed to the public.
  - You also may not disclose Material Nonpublic Information to anyone, except to persons within Travelzoo whose positions require them to know it, until it has been publicly disseminated. Such "tips" may result in friends, relatives or others trading stock on the basis of inside information, which is prohibited by applicable securities laws.
  - Prohibitions against trading on the basis of Material Nonpublic Information apply to everyone, whether or not you are an officer or director.

From time to time, Travelzoo may determine that certain types of transactions by Insiders in Travelzoo Securities shall be prohibited or shall be permitted only with the prior written consent of the Chair of the Audit Committee.

- b. No Trading During Blackout Periods. Whether or not you are in possession of Material Nonpublic Information, you may **not** trade in Travelzoo Securities during the following blackout periods imposed by Travelzoo:
- March 28th (or such date that is otherwise announced) through the date of Travelzoo's public announcement of quarterly earnings;
  - June 28th (or such date that is otherwise announced) through the date of Travelzoo's public announcement of quarterly earnings;
  - September 28th (or such date that is otherwise announced) through the date of Travelzoo's public announcement of quarterly earnings;
  - December 28th (or such date that is otherwise announced) through the date of Travelzoo's public announcement of quarterly earnings; and
  - such other times as the Chair of the Audit Committee, General Counsel or Chief Accounting Officer may announce from time to time.

These quarterly periods are intended to cover the time shortly before and after Travelzoo announces its financial results. The Chair of the Audit Committee may, on a case-by-case basis, authorize trading in Travelzoo Securities outside of a trading window due to special circumstances.<sup>1</sup>

- c. Additional Blackout Periods for Directors and Section 16 Officers (as defined below) Relating to Share Repurchases. In addition to the blackout periods stated above at b., Directors and Section 16 Officers may **not** trade in Travelzoo Securities within 4 business days before and after any announcement by Travelzoo relating to the adoption, amendment or termination of a share repurchase program.
- d. Penalties for Violations of Insider Trading Laws. Individuals who trade on Material Nonpublic Information (or tip information to others who trade) can be liable for civil and criminal penalties, in addition to legal and disciplinary action from Travelzoo, including dismissal for cause.

### 3.2 Additional Restrictions Applicable to Certain Insiders.

- a. Mandatory Pre-Clearance of Transactions by Restricted Insiders.
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- All Restricted Insiders must obtain prior clearance before he, she or a Family Member makes any purchases or sales of Travelzoo Securities, even if during an open trading window.
  - For Executives Officers (other than the Global Chief Executive Officer), and any other employee considered as a Restricted Insider, the Global Chief Executive Officer or the Chair of the Audit Committee should pre-clear any trades, and for directors (other than the Chair of the Audit Committee) and the Global Chief Executive Officer, the Chair of the Audit Committee should pre-clear any trades. For the Chair of the Audit Committee, the Chair of the Board should pre-clear any trades. Restricted Insiders must fill out the form, entitled “Insider Trading Compliance Program Pre-Clearance Checklist” ([Exhibit A](#)) no later than two (2) days prior to the proposed trade date.
  - Prior clearance is required for Restricted Insiders for all purchases or sales of Travelzoo Securities. Each proposed transaction will be evaluated to determine if it raises insider trading concerns or other concerns under federal or state securities laws and regulations. Any advice will relate solely to the restraints imposed by law and will not constitute advice regarding the investment aspects of any transaction. If clearance is denied, the fact of such denial must be kept confidential by the person requesting such clearance.
- b. [Section 16 Officers](#). Executive Officers, directors and principal shareholders (which include beneficial owners of more than 10% of any class of equity securities of Travelzoo) that fall under Section 16 need to comply with the rules regarding the filing of Forms 3s, 4s and 5s and the prohibition against short swing trades, as set forth in more detail on [Exhibit B](#) attached hereto.
  - c. [Restricted and Control Securities](#). When you acquire “restricted securities” or hold “control securities”, you may be subject to the requirements of Rule 144, as set forth in more detail on [Exhibit B](#) attached hereto. These requirements are also set forth in the check boxes on the pre-clearance form.
  - d. [Clawback Policy](#). Senior Executives (as defined in that certain Clawback Policy attached hereto as [Exhibit C](#)) and any performance-based compensation granted to such Senior Executives after October 10, 2022, are subject to the Company’s Clawback Policy, as set forth in further detail on [Exhibit C](#) attached hereto and incorporated by reference herein.

### **3.3 Certain Transactions Not Subject to Trading Restrictions.**

[Stock Option Exercises](#). Subject to Section 3.2(b), this Policy does not apply to the exercise of employee stock options awarded by Travelzoo’s Board of Directors where no Travelzoo stock is sold in the market to fund the exercise price of an option. However, this Policy does apply to (i) any sale of shares subject to an employee stock option as part of a cashless exercise of an option (whether net proceeds are received in cash or shares) and (ii) any other sale or exchange of shares to generate the consideration needed to fund the exercise price of an option. For the avoidance of doubt, this does not include the net settlement of taxes by the Company in connection with an option exercise, but solely the net settlement of the exercise price.

### **4.0 POLICY INTERPRETATION AND AMENDMENTS.**

The foregoing is meant to be a brief summary of certain significant requirements of securities rules and is not intended to be exhaustive. These restrictions have been revised frequently in the past and can be expected to be further revised from time to time in the future. It is important to remember that the ultimate responsibility for adhering to this Policy and the law and avoiding improper trading rests with you. It is imperative that you use your best judgment in these matters.

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Failure to comply with this Policy is inconsistent with the requirements of Travelzoo's Guide to Business Conduct and Ethics and may therefore subject you to disciplinary action, up to and including possible termination of employment without further notice or warning, whether or not your failure to comply with this Policy results in a violation of law. Potential penalties for insider trading violations that have been imposed by law can be severe and may include imprisonment and substantial criminal fines and civil fines.

If you have any particular questions concerning any of these matters, please contact the Legal Department so that your questions can be considered by the appropriate corporate officers or referred to counsel.

<sup>1</sup> The securities laws allow for specific safe harbors from insider trading liability, such as a written trading plan pursuant to Rule 10b5-1(c) of the Exchange Act, the potential availability of which may also be discussed when obtaining prior clearance from the Chair of the Audit Committee. Note that certain cooling-off periods apply from the date of the adoption of a (new or modified) trading plan before trading can commence pursuant to the plan and that a representation is required at the time of the adoption of the (new or modified) plan that the insider is not aware of any material nonpublic information and is adopting the plan in good faith and not as part of a scheme to evade the prohibitions of Rule 10b-5. With very limited exceptions, the use of multiple overlapping trading plans is prohibited, and a plan providing for only one single trade is permissible only once per twelve-month period. Throughout the use of a trading plan, the insider must act in good faith with respect to the plan (which includes, but is not limited to a prohibition to enter into or alter a corresponding or hedging transaction or position in the securities). Cf. also Exhibit B to this Policy (Additional Information Related to Directors, Officers and Principal Stockholders).

\* \* \*

**EXHIBIT A**  
**TRAVELZOO**  
**INSIDER TRADING COMPLIANCE PROGRAM**  
**PRE-CLEARANCE CHECKLIST**

This Pre-Clearance Checklist applies to members of the Travelzoo executive team and members of the Board of Directors and is to be submitted no later than two (2) days prior to the proposed trade date.

**Name on Certificate:**

**Trade Type (Buy/Sell):**

**Number of Shares to be Traded:** Up to shares

**Manner of Trade:** Broker Transaction

**Proposed Trade Date:**  
(10 trading days maximum)

- Trading Window.** Confirm that the trade will be made during Travelzoo's "trading window".
  - Section 16 Compliance.** Confirm, if the individual is an officer or director subject to Section 16, that the proposed trade will not give rise to any potential liability under Section 16 as a result of matched past (or intended future) transactions.
  - Form 4.** Ensure that a Form 4 has been or will be completed and will be timely filed.
-

**Prohibited Trades.** Confirm, if the individual is an officer or director subject to Section 16, that the proposed transaction is not a "short sale," put, call or other prohibited or strongly discouraged transaction.

**Security Memo.** Confirm that the attached memo has been reviewed.

**Rule 144 Compliance.** If applicable, confirm that:

- Current public information requirement has been met (i.e., all 10-K, 10-Q and other reports during the last twelve months have been filed);
- Shares are not restricted or, if restricted, the applicable holding period has been met;
- Volume limitations (greater of 1% of outstanding Common Stock or average weekly trading volume last four weeks) are not exceeded (confirm the individual is not part of an aggregated group);
- The manner of sale requirements have been met ("broker's transaction" or directly with market maker); and
- The Notice of Form 144 has been completed and filed.

**Rule 10b-5 Concerns.** Confirm that (i) the individual has been reminded that trading is prohibited when in possession of any material information regarding Travelzoo that has not been adequately disclosed to the public, (ii) the individual has discussed with the applicable Chair of the Audit Committee (or other applicable review as set forth in the Insider Trading Policy) any information known to the individual or the Chair of the Audit Committee (or other applicable reviewer) which the individual believes may be material and (iii) there are no events which have imposed a special prohibition on trading by the individual.

***I am not trading on material nonpublic information:***

\_\_\_\_\_  
Signature of Review  
(Chair of Audit Committee or  
Chair of the Board or  
Global Chief Executive Officer)

\_\_\_\_\_  
Signature of Individual

Date

Date

## **EXHIBIT B**

### **Additional Information Related to Directors, Officers and Principal Stockholders**

Below sets forth certain information and obligations for directors, officers and principal stockholders and provides information related to the pre-clearance checklist on the insider trading compliance form required to be filled out and approved prior to trading in Travelzoo Securities.

**1.1 Section 16.** Executive officers, directors and principal shareholders (which include beneficial owners of more than 10% of any class of equity securities of Travelzoo) that fall under Section 16 need to comply with the rules regarding the filing of Forms 3s, 4s and 5s and the prohibition against short swing trades.

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- Definition of Section 16 “Officer.” The SEC rules define the term “officer” as Travelzoo’s president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice-president in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy- making function, or any other person who performs similar policy-making functions for Travelzoo. Officers of Travelzoo’s subsidiaries are deemed officers of Travelzoo if they perform such policy-making functions for Travelzoo. Typically, the list of officers for Section 16 purposes is co-extensive with the officers listed as “executive officers” in Travelzoo’s annual proxy statement.
- Forms 3, 4 and 5. Corporate insiders, meaning a company’s Section 16 officers and directors, and any beneficial owners of more than ten percent of a class of the company’s securities must file with the SEC a statement of ownership regarding the securities it trades. Each newly designated Section 16 officer or director must file an “Initial Statement of Beneficial Ownership of Securities” on Form 3 listing the amount of Travelzoo’s securities that the officer or director beneficially owns within ten days of becoming an officer, director, or beneficial owner. Any changes in ownership are reported on Form 4 and must be reported to the SEC within two business days following the day on which a transaction resulting in a change in such beneficial ownership has been executed. When, due to an exemption or oversight, a transaction was not reported on Form 3 or 4, a Form 5 needs to be filed with the SEC no later than 45 days after the company’s fiscal year ends. Form 4s and Form 5s must identify any transactions intended to qualify for the trading plan safe harbor of Rule 10b5-1. To enable Travelzoo to fulfill its obligations under applicable securities laws, corporate insiders shall provide Travelzoo upon request with additional information about their trading in Travelzoo shares (including, but not limited to, a written representation that no Form 5 is required).
  - For more information on the required filing of Forms 3, 4 and 5 please review, <http://www.sec.gov/answers/form345.htm>. Travelzoo is available to assist in filing Section 16 reporting, however, the obligation to comply with Section 16 is personal.
- “Short Swing Profits.” Under Section 16(b), any insider (including family members and others) who engages in any purchase and sale (or sale and purchase) of any equity security of Travelzoo within any period of less than six months is required to pay over to Travelzoo any “short-swing profits” realized on such transactions. If Travelzoo fails to collect such profit, any shareholder may bring suit to recover such profit. There are lawyers who specialize in monitoring the reports filed by insiders, and very quickly bring legal actions to enforce the recovery of profits if they see any trading that might violate Section 16(b). The liability imposed under Section 16(b) is imposed without regard to the intent or good faith of the insider and without regard to whether the insider has in fact traded on non-public information.

**1.2 Rule 10b5-1: Trading Plans.** Rule 10b5-1(c)(1) provides an affirmative defense to insider trading liability (Section 10(b) and Rule 10b-5 under the Securities Exchange Act of 1934) where a pre-set trading plan, established at a time when the insider on whose behalf the trading plan is executed, was not in possession of material nonpublic information, is executed. Travelzoo is under an obligation to disclose the existence and material terms (other than price) of any Rule 10b5-1 trading plan or similar plan of a director or officer in its quarterly and annual reports on Form 10-Q and 10-K. Therefore, any director or officer using a Rule 10b5-1 trading plan or similar plan is under the obligation to promptly inform Travelzoo about such plan in detail sufficient for Travelzoo to fulfill its disclosure obligations.

**1.3 Rule 144: Selling Restricted or Control Securities.** When you acquire “restricted securities” (defined below) or hold “control securities” (defined below), you may be subject to the requirements of Rule 144. These requirements are set forth in the check boxes on the pre-clearance form.

- **What Are Restricted and Control Securities?**

“**Restricted securities**” are securities acquired in unregistered, private sales from the issuing company or from an affiliate of the issuer. Restricted securities are typically acquired in non- public transactions from either the issuer or an affiliate of the issuer. Investors generally receive restricted securities through private placement offerings, employee stock benefit plans or directly from Travelzoo.

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“**Control securities**” are those held by an affiliate of Travelzoo. An “affiliate” is a person, such as an executive officer, a director or large shareholder, in a relationship of control with the issuer. Control means the power to direct the management and policies of the company in question, whether through the ownership of voting securities, by contract, or otherwise. The directors, executive officers and principal stockholders of Travelzoo are generally considered “affiliates” of Travelzoo. If you buy securities from a controlling person or “affiliate,” you take restricted securities, even if they were not restricted in the affiliate’s hands.

If you acquire restrictive securities, you almost always will receive a certificate stamped with a “restrictive” legend. The legend indicates that the securities may not be resold in the marketplace unless they are registered with the SEC or are exempt from the registration requirements. Certificates for control securities usually are not stamped with a legend.

- **What are the Conditions of Rule 144?**

If you want to sell your restricted or control securities to the public, you can meet the applicable conditions set forth in Rule 144. The rule is not the exclusive means for selling restricted or control securities, but provides a “safe harbor” exemption to sellers. The rule’s 5 conditions are summarized below:

- 1) **Current Public Information.** There must be adequate current information about the issuing company publicly available before the sale can be made. For reporting companies, such as Travelzoo, this generally means that the companies have complied with the periodic reporting requirements of the Securities Exchange Act of 1934 (*i.e.*, all 10-K, 10-Q and other reports during the last twelve months have been filed).
  - 2) **Holding Period.** Before you may sell any restricted securities in the marketplace, you must hold them for a certain period of time. Given that Travelzoo is a “reporting company” that is subject to the reporting requirements of the Securities Exchange Act of 1934, you must hold the securities for at least six months. The relevant holding period begins when the securities were bought and fully paid for. The holding period only applies to restricted securities. Because securities acquired in the public market are not restricted, there is no holding period for an affiliate who purchases securities of Travelzoo in the marketplace. But the resale of an affiliate’s shares as control securities is subject to the other conditions of the rule.
  - 3) **Trading Volume Formula.** If you are an affiliate, the number of equity securities you may sell during any three-month period cannot exceed the greater of 1% of the outstanding common stock or the average reported weekly trading volume during the prior four weeks. The four calendar weeks is calculated based on the filing of a Form 144, or if no form was filed, the date of receipt of the order to execute the transaction.
    - The SEC could consider people that are affiliated or associated with each other (such as they are acting together in selling stock or an immediate family member living in the same household is also selling stock) as a group and apply an aggregation principle to determine volume limitations. Thus, you will be asked to confirm that you are not part of an aggregated group.
  - 4) **Ordinary Brokerage Transactions.** If you are an affiliate, the sales must be handled in all respects as routine trading transactions, and brokers may not receive more than a normal commission. Neither the seller nor the broker can solicit orders to buy the securities.
- **Filing a Notice of Proposed Sale With the SEC.** If you are an affiliate, you must file a notice with the SEC on Form 144 if the sale involves more than 5,000 shares or the aggregate dollar amount is greater than \$50,000 in any three-month period.
  - **If I Am Not an Affiliate of Travelzoo, What Conditions of Rule 144 Must I Comply With?**
-

If you are not (and have not been for at least three months) an affiliate of Travelzoo and have held the restricted securities for at least six months, you may sell the securities as long as you satisfy the current public information condition.

For more information on Section 144, please direct them to Travelzoo's General Counsel or Chair of the Audit Committee and review, <http://www.sec.gov/investor/pubs/rule144.htm>.

## **EXHIBIT C**

### **CLAWBACK POLICY**

If the Board of Directors (the "Board") determines that a Senior Executive (as defined below) has engaged in fraud or willful misconduct that caused or otherwise contributed to the need for a material restatement of the Company's financial results, the Board will review all performance-based compensation awarded to or earned by that Senior Executive on the basis of performance during fiscal periods materially affected by the restatement. This would include annual cash incentive/bonus awards and all forms of equity-based compensation. If, in the Board's view, the performance-based compensation would have been lower if it had been based on the restated results, the Board will, to the extent permitted by applicable law, seek recoupment from that Senior Executive of any portion of such performance-based compensation as it deems appropriate after a review of all relevant facts and circumstances.

Generally, this review would include consideration of:

- the Board's view of what performance-based compensation would have been awarded to or earned by the Senior Executive had the financial statements been properly reported;
- the nature of the events that led to the restatement;
- the conduct of the Senior Executive in connection with the events that led to the restatement;
- whether the assertion of a claim against the Senior Executive could prejudice Travelzoo's overall interests and whether other penalties or punishments are being imposed on the Senior Executive, including by third parties such as regulators or other authorities; and
- any other facts and circumstances that the Board deems relevant.

Any recoupment under this Policy may be in addition to any other remedies that may be available to the Company under applicable law, including disciplinary actions up to and including termination of employment.

For purposes of this Policy, "Senior Executives" means Travelzoo's executive officers (as defined under the Securities and Exchange Act of 1934, as amended), Travelzoo's other principal corporate officers (as elected by the Board) and other key employees who are designated from time to time by the Board. Nothing contained in this Policy will limit the Company's ability to seek recoupment, in appropriate circumstances (including circumstances beyond the scope of this Policy) and as permitted by applicable law, of any amounts from any employee, whether or not the employee is a Senior Executive.

The Board may delegate one or more of the duties or powers described in this Policy to one or more Committees of the Board consisting solely of independent directors.

As adopted by the Board of Directors of the Company on October 10, 2022

## SUBSIDIARIES OF TRAVELZOO

<b>Subsidiaries</b>	<b>Jurisdiction</b>
JFC Travel Group Co. (60%)	Delaware
Flights Explorer UK Ltd (100% owned by JFC Travel Group Co.)	United Kingdom
Jack's Flight Club (Canada) Inc.	Canada
Travelzoo (Asia) Limited	Hong Kong
Travelzoo (Canada) Inc.	Canada
Travelzoo (Europe) Limited, with branches in France, Spain, and Germany	United Kingdom
Travelzoo (USA) Inc. (f/k/a Travelzoo Local Inc.)	Delaware
Metaverse Travel Experiences, LLC	Delaware
Travelzoo Meta LTD	United Kingdom

**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the registration statements on Form S-3 (No. 333-269563) and on Form S-8 (No. 333-116093, No. 333-173175, No. 333-182934, No. 333-201332, No. 333-231651, No. 333-248503, and No. 333-279727) of our report dated March 11, 2026, with respect to the consolidated financial statements of Travelzoo.

/s/ KPMG LLP

New York, New York  
March 11, 2026

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Holger Bartel, certify that:

1. I have reviewed this annual report on Form 10-K of Travelzoo;

2. Based on my knowledge, this report 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ HOLGER BARTEL

Holger Bartel

*Global Chief Executive Officer*

Date: March 11, 2026

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jeff Hoffman, certify that:

1. I have reviewed this annual report on Form 10-K of Travelzoo;

2. Based on my knowledge, this report 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JEFF HOFFMAN

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Jeff Hoffman

*Principal Accounting Officer*

Date: March 11, 2026

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Annual Report on Form 10-K (the "Report") of Travelzoo for the period ended December 31, 2025, the undersigned certifies, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, that (1) this Report complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 and (2) the information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: March 11, 2026

By: /s/ HOLGER BARTEL  
Holger Bartel  
*Global Chief Executive Officer*

The foregoing certification is being furnished solely pursuant to 18 U.S.C. §1350 and is not being filed as part of this Report or as a separate disclosure document.

**CERTIFICATION OF PRINCIPAL ACCOUNTING OFFICER PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Annual Report on Form 10-K (the "Report") of Travelzoo for the period ended December 31, 2025, the undersigned certifies, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, that (1) this Report complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 and (2) the information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: March 11, 2026

By: /s/ JEFF HOFFMAN

Jeff Hoffman

*Principal Accounting Officer*

The foregoing certification is being furnished solely pursuant to 18 U.S.C. §1350 and is not being filed as part of this Report or as a separate disclosure document.

## TRAVELZOO

## CLAWBACK POLICY

If the Board of Directors (the “Board”) determines that a Senior Executive (as defined below) has engaged in fraud or willful misconduct that caused or otherwise contributed to the need for a material restatement of the Company’s financial results, the Board will review all performance-based compensation awarded to or earned by that Senior Executive on the basis of performance during fiscal periods materially affected by the restatement. This would include annual cash incentive/bonus awards and all forms of equity-based compensation. If, in the Board’s view, the performance-based compensation would have been lower if it had been based on the restated results, the Board will, to the extent permitted by applicable law, seek recoupment from that Senior Executive of any portion of such performance-based compensation as it deems appropriate after a review of all relevant facts and circumstances.

Generally, this review would include consideration of:

- the Board’s view of what performance-based compensation would have been awarded to or earned by the Senior Executive had the financial statements been properly reported;
- the nature of the events that led to the restatement;
- the conduct of the Senior Executive in connection with the events that led to the restatement;
- whether the assertion of a claim against the Senior Executive could prejudice Travelzoo’s overall interests and whether other penalties or punishments are being imposed on the Senior Executive, including by third parties such as regulators or other authorities; and
- any other facts and circumstances that the Board deems relevant.

Any recoupment under this Policy may be in addition to any other remedies that may be available to the Company under applicable law, including disciplinary actions up to and including termination of employment.

For purposes of this Policy, “Senior Executives” means Travelzoo’s executive officers (as defined under the Securities and Exchange Act of 1934, as amended), Travelzoo’s other principal corporate officers (as elected by the Board) and other key employees who are designated from time to time by the Board. Nothing contained in this Policy will limit the Company’s ability to seek recoupment, in appropriate circumstances (including circumstances beyond the scope of this Policy) and as permitted by applicable law, of any amounts from any employee, whether or not the employee is a Senior Executive.

The Board may delegate one or more of the duties or powers described in this Policy to one or more Committees of the Board consisting solely of independent directors.

As adopted by the Board of Directors of the Company on October 10, 2022