

# FADEL - 2025 Annual Results Presentation

1 May 2026

Tarek Fadel, Founder and CEO

Mark Plotkin, CFO

# FADEL AT A GLANCE

## Corporate

- Leading developer of AI-Driven cloud solutions for Licensing, Brand Compliance and Content Services
- Multiple product offerings
- Growing client base with recurring revenue model
- Listed on LSE AIM (FADL) since 2023

## Locations

- Headquartered in NYC



NYC LA London Paris Beirut Amman

## Team

- 120 Highly experienced employees
- Industry relevant experience
- Low turnover
- Over 21 years of technology leadership in Licensing Management and Brand Compliance

## Marquee Customers



## Awards / Partners

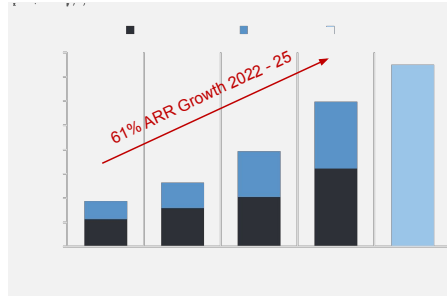
**Awards**



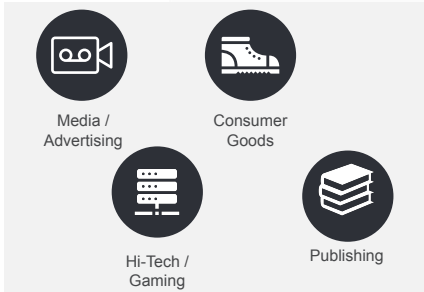
**Partners**



## Financial Summary



## Focus Industries



- Media / Advertising
- Consumer Goods
- Hi-Tech / Gaming
- Publishing

## Strategy

- IPO provided a platform for growth
- Expanding the business
  - New geographies (Europe)
  - Consumer Goods, Gaming, and Advertising industry penetration
- AI-Driven product roadmap with expanded TAM covering thousands of mid-market company targets

# TRUSTED FOR OVER 22 YEARS BY THE WORLD'S LARGEST BRANDS

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Best-in-Class solutions empowering  
Licensing, Marketing & Publishing  
operations



TERVIS



Handcraft

Deployed across 300+ global brands and  
customers in consumer goods, luxury,  
publishing, media, gaming, entertainment  
and life sciences



L'ORÉAL



Whirlpool

# AI-Driven Cloud Solutions for Licensing, Brand Compliance and Content Services

## IPM Suite™ / LicenSee™

Helps both licensors and licensees manage complex royalty contracts

Streamlines the licensing process

Automates IP Rights\* and Royalty management from concept to creation



Key industries: Consumer goods, Media, Publishing, Gaming

## Brand Vision™

Helps marketing teams manage content to ensure content is used where, when and how its rights allow

Amplifies, protects and **monitors** brands

Ensures Brand Compliance before and after your content is Live

L'ORÉAL



Key industries: Beauty, Luxury, FMCG\*, Life Sciences

## PictureDesk™

Helps media organizations centralize and visually search for images and videos using AI tools

Provides unrivalled access to content

Search through 100+ Photo Agencies and syndication libraries with > 100 million images



CONDÉ NAST

GUCCI



Key industries: Magazine/newspaper publishers, News Broadcasters, Brands

# IPM SUITE

## RIGHTS & ROYALTY MANAGEMENT FOR LICENSEES AND LICENSORS

- **Manage Your Licensing Ecosystem**

Eliminate underpayments, overpayments, and compliance risks with all-encompassing licensing and royalty management

- **Brand Protection & Compliance**

Safeguard your brand with product approvals and stay compliant with advanced collision checks and violation notifications

- **AI-Driven Cloud Analytics**

Turn data into action with predictive analytics, business and forecast modeling and smarter decision-making.

- **Enterprise Integration**

Streamline financial operations with seamless integration into Financial and Master Data Management systems

Integration with Master Data, Order, Contract



Integration with ERP Financials for AP, AR, GL

# LICENSEE BY FADEL

PRE-CONFIGURED IPM SUITE TO **STREAMLINE ROYALTY OPERATIONS** FOR SMALL, GROWING LICENSEES



## Performance Analytics

- Monitor contract performance in real time
- Better negotiate renewals
- Utilize trend analysis for accurate forecasts
- Simplify audit processes



## Royalty Statement Generation

- Generate ready-to-submit royalty statements instantly for Disney, Marvel, Hasbro, and more
- Ensure consistency for both licensee and licensor



## Royalty Calculation

- Automate precise calculations of royalties, commissions, and accruals
- Incorporate payment rules to ensure accuracy eliminate over or underpayments
- Royalty billing review before submission

## Deal Management

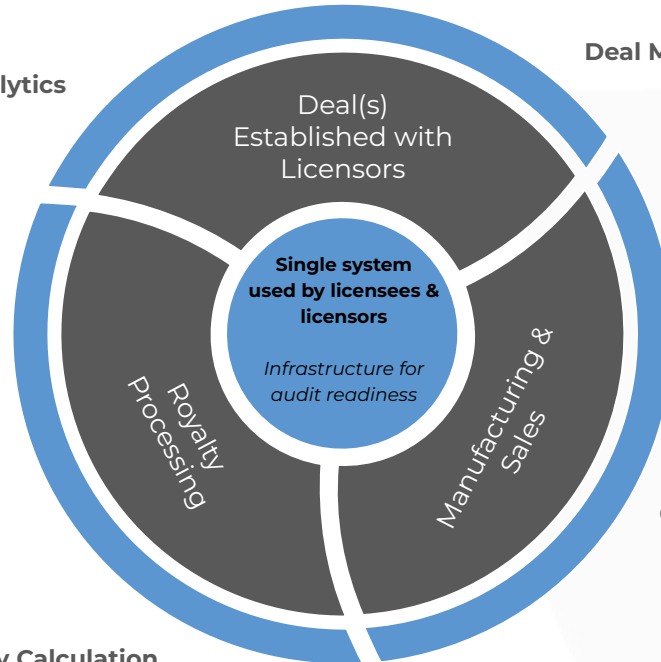


- Record catalog of properties detailing deal terms, royalty rates and payment rules
- Create deal templates to ensure consistency
- Manage contract amendments
- Notifications to alert stakeholders of key deadlines

## Contract Validation



- Easily import sales data with a spreadsheet template
- Detect breaches of contract early to prevent penalty escalation



# Incremental TAM for IPM Suite (Mid-Market Licensees)

Metric	Value	Shareholder Significance
<b>Total Addressable Market (TAM)</b>	\$370 Billion	Total retail sales of licensed merchandise globally.
<b>Serviceable Addressable Market (SAM)</b>	<b>\$21 Billion</b>	<b>Global royalty revenue; the "cash in motion" that our platform tracks.</b>
<b>Serviceable Obtainable Market (SOM)</b>	8k - 10k Companies	Unique licensee manufacturers managing 22,000+ active agreements.

# Licensees - Verticals of Focus

Category	Key Market Concentration
<b>Apparel &amp; Footwear (\$10.3B)</b>	Highly fragmented; thousands of small-to-mid-sized regional manufacturers.
<b>Toys &amp; Games (\$8.2B)</b>	Concentrated; dominated by "Master Toy" agreements with major global players.
<b>Sports (Property-led \$4.4B)</b>	Heavily focused on regional local athletes and global league brands.
<b>Fashion (Accessories/Luxury \$3B)</b>	Growing segment for collabs and boutique designer licenses.
<b>Other (Home, Digital, etc. \$2.7B)</b>	Includes software, home décor, and stationery.
<b>Food &amp; Beverage (\$2.3B)</b>	Fastest-growing category for corporate brand extensions.

# IPM Suite Mid-Market Opportunity

- **The "Power 500" Advantage:** 500 licensees control 65% of revenue. Our platform solves their massive auditing complexity.
- **The Long-Tail Opportunity:** 5,000+ regional manufacturers currently lack dedicated IP infrastructure, representing a significant SaaS "greenfield."
- **Contract Velocity:** A 40% increase in agreement volume necessitates automated "sources of truth" over manual spreadsheets.
- **Digital Transition:** Moving toward 2026, the management software market is expanding at 10.9% CAGR as the industry digitizes.

## Executive Summary

We are positioning ourselves as the definitive AI driven licensing operating system for the \$21B royalty economy. By targeting the 8,000 - 10,000 companies currently managing these royalty calculations and reporting requirements through manual processes, we are capturing a mission-critical friction point in the global supply chain.

# Value of Mid-Market Licensee Opportunity

Average ACV for Mid-market IPM - \$40k

Number of Target Customers

8,000

To

10,000

## Market Penetration

## Incremental ARR

### Low End

### High End

1%

\$3,200,000

\$4,000,000

5%

\$16,000,000

\$20,000,000

10%

\$32,000,000

\$40,000,000

# IPM Suite - New Logos

Expanded into Mid-market

28 Logos Using IPM Suite



# BRAND VISION: AI-POWERED BRAND PROTECTION & CONTENT COMPLIANCE

Pre-Production  
organize, plan

Creative Production & Design  
create, reviews, approvals

Distribution  
publish across channels

Post Distribution  
measure, monitor, archive

## Brand Vision™

### Talent & Agreement Mgmt

Gain a single “rights” source for talent, agreements and rights. Enrich DAM assets with usage rights to streamline production and renewals.

### Digital Rights Management

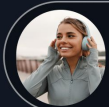
Know your rights - what content can be used how, when and where - designed to deliver brand and content compliance

### Clearance Check

Clear asset usage rights for your campaigns before distribution in order to optimize speed to market and mitigate risk for the brand.

### AI-Driven Content Tracking

Track published image and video content across brand, e-commerce, social and partner sites and verify compliance status



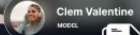
**Clem Valentine**  
MODEL



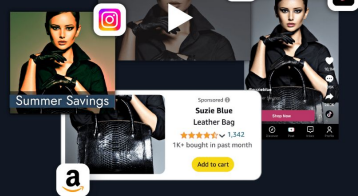
Peter Tunes  
PHOTOGRAPHER



Product  
BRAND



Clem Valentine  
MODEL



# BRAND VISION - Logo Activity

Growing Our Brand!

17 Logos Using Brand Vision



L'ORÉAL



\*Kimberly-Clark



PHILIP MORRIS  
INTERNATIONAL

IPG HEALTH

***BOSE***

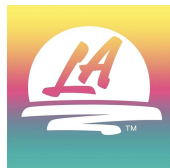
sanofi



**B/R** BLEACHER  
REPORT



YVES ROCHER

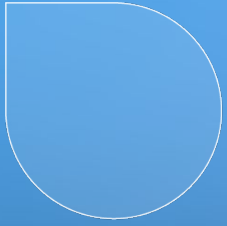


**KOHLER®**



**FERRERO**

**PEPSICO**



## AI for Brand Compliance and Licensing Operations

Intelligence in Action.

# AIVA: INTELLIGENCE IN ACTION

## FADEL's AI for Brand Compliance & Licensing Operations

AIVA is FADEL's AI designed to transform how organizations manage end-to-end licensing and marketing compliance operations.

It unifies FADEL's generative, analytical, and predictive AI capabilities with purpose-built autonomous AI agents embedded within the Brand Vision and IPM Suite products.

### What it Delivers

- Intelligent automation across complex licensing workflows
- AI-driven marketing compliance management
- Embedded AI agents operating within FADEL solutions
- Integration with leading AI models from Anthropic, OpenAI, AWS, Meta, and more

**Operational efficiency at scale. Accelerated compliance. Intelligence that informs strategy.**





## AI for Brand Compliance and Licensing Operations

Delivering intelligent automation across complex licensing and marketing workflows:

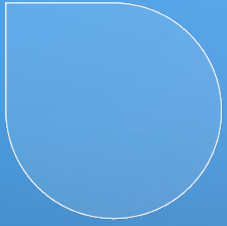
- **AIVA Reviewer Agent** – Conducts initial review of Product Approval submissions
- **AIVA Contract Ingestion Agent** – Instantly extracts rights terms and obligations from licensing contracts and creates Brand Vision and IPM Suite parties and agreements
- **AIVA Media Identification** – Detects and matches licensed images, video, and music across digital distribution channels
- **AIVA Business Insights** – Generates dashboards, executive reports, and predictive models using natural language prompts
- **AIVA Intelligence** – AI assistant that provides real-time user support, while also delivering detailed insights on agreement terms and obligations using contract and deal intelligence

*“AIVA represents a fundamental shift in how licensing and marketing teams operate. We’re moving beyond AI that simply generates insights to AI that also acts on them.”*

— Tarek Fadel, Founder and CEO, FADEL

*“As 2026 brings fiercer competition and stricter rules, brands embracing AIVA will soar – proactive, efficient, unbreakable.”*

— The Global Martech Alliance (GMA) Council







# — Operational & Financial Highlights —

# Updates since the IPO (4/2023)

- Product innovations and releases
  - Content Matching and Tracking
  - LicenSee and IPM Suite Mid-market focused offerings
  - AI technology in several product releases (AIVA - Intelligence Chatbot, AI Analytics, AI Contract Agents and Media Identification)
  - New AI Product Approval module for Licensor Brand Compliance
  - Continuous quarterly releases of all product lines
- Sales and Marketing/Alliances Alignment
  - Dedicate inside sales team
  - New pipeline management processes
  - New tooling (Salesforce, Salesloft, CLAY, Connect and Sell, etc ...)
  - Dedicated Solutions Consulting team
  - Dedicated CSM team and function
  - Product and process training
  - New website
  - New partners (for both IPM and BV)
  - New events (Licensing Expo, BLE, Bynder and DAM NY)
- HR
  - RRR (Recruiting, Right-sizing and Retention)
  - Jordan office set up

# Results so far

-  61% License ARR growth from 12/31/2022 - 12/31/2025
-  Hitting top line SaaS metrics (14% license yoy ARR growth, NRR at 102% and GRR at 94% with a license GPM of 84%)
-  Increased customer counts - over 20 new customers in 24 months
-  Decreased ARR and revenue % from Top 5 customers

# 2026 - Continued Partnership Expansions

- **AWS Partnership**

- Expanded from AWS Customer status to **AWS Marketplace, Agentic AI and ISV Accelerate**



- **Partner**

- Marketplace product listings allowing customers to buy FADEL products off their PPAs with AWS globally
- Attain ISV Accelerate status lowering our AWS technology costs and benefiting from their ISV technology expertise and training at no additional costs

- **Oracle Partnerships**



- NetSuite Marketplace Connector (NetSuite is big in the apparel, toys and retail licensee mid-market world)
- Oracle Media and Communications vertical - strong ties with the industry team in the US for Oracle Cloud and Oracle Cloud ERP native integration. Only IPM provider with this partnership



- Bynder, Adobe, Nuxeo, Acquia, Opentext, and Aprimo connectors (DAM to DRM - BV partnerships)



# FY 2025 Results

# FY 2025 Financial Highlights



Revenue

**\$12.6M**

- 3% 2024: \$13.0M

License ARR (Annual  
Recurring Revenue)  
growth

**14%\***

2024: 12%\*

\* Growth rate compared to the prior year

\*\* Adjusted EBITDA - a non-US GAAP measure is defined as earnings after capitalized commission costs and before interest, tax, depreciation, amortization, exceptional costs and share-based payments

License Gross  
margin

**84%**

Overall Gross  
margin

**64%**

2024: 62%

Adjusted EBITDA  
loss\*\*

**\$(0.7)M**

2024: \$(3.9)M

Net loss before taxes

**\$(1.4)M**

2024: \$(5.0)M

Cash

**\$1.9M**

2024: \$2.6M

# Licensing ARR

## Licensing ARR 2022 - 2025

2022	
BoY	EoY

4,941,184      5,522,364

ARR		
Growth	NRR	GRR

12%      100%      94%

2023*	
BoY	EoY

5,522,364      6,986,893

ARR*		
Growth	NRR*	GRR

27%      119%      97%

2024	
BoY	EoY

6,986,893      7,824,602

ARR		
Growth	NRR	GRR

12%      99%      87%

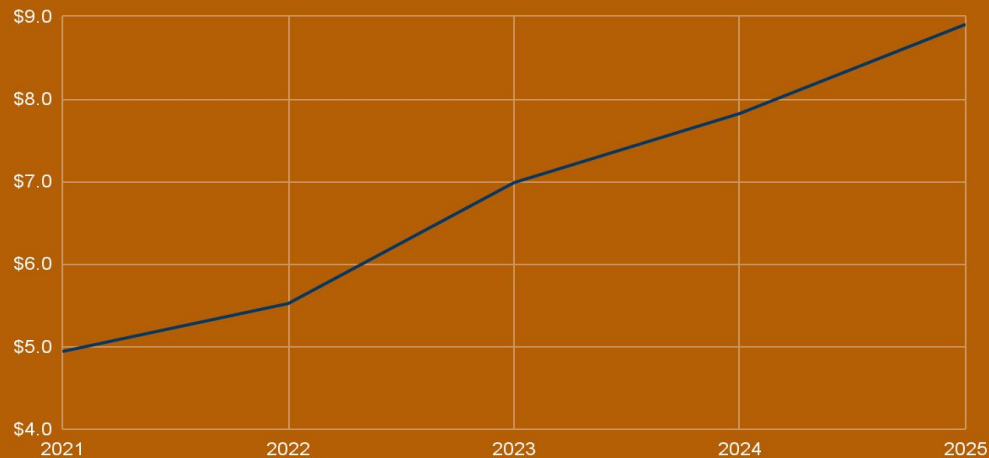
2025	
BoY	EoY

7,824,602      8,904,588

ARR		
Growth	NRR	GRR

14%      102%      94%

## License ARR (in millions)



Since the beginning of 2023, the year FADEL completed its IPO, ARR has grown 61%.

\*During 2023, a significant customer contract renegotiation led to a substantial increase in licensing ARR, offset by an even larger decrease in services revenue.

# Income Statement

	Year ended 31 December 2024 \$	Year ended 31 December 2025 \$
Licensing and Support Services	7,993,928	8,235,003
	5,028,273	4,381,436
<b>Total revenue</b>	<b>13,022,201</b>	<b>12,616,439</b>
Cost of fees and services	4,973,230	4,487,028
<b>Gross profit</b>	<b>8,048,971</b>	<b>8,129,411</b>
Research and development	3,456,310	3,089,665
Selling, general and administrative expenses	8,552,008	5,852,217
Depreciation and amortisation	700,851	592,403
Net Interest expense/(income)	72,583	49,302
Foreign exchange losses/(gains)	275,075	(48,036)
<b>Total operating expenses</b>	<b>13,056,827</b>	<b>9,535,551</b>
<b>Income/(loss) before income taxes</b>	<b>(5,007,856)</b>	<b>(1,406,140)</b>
Income tax expense	818,485	91,612
<b>Net income/(loss) after taxes</b>	<b>(5,826,341)</b>	<b>(1,497,752)</b>
Total foreign currency gains	134,999	411,599
<b>Total comprehensive income/(loss)</b>	<b>(5,691,342)</b>	<b>(1,086,153)</b>

## Commentary

- **Revenue Performance:**
  - Licensing and support revenue saw a 3% increase.
  - Services revenue declined by 13%. This drop reflects the strategic move to focus on the middle market, which involves less complex and shorter-duration services projects.
- **ARR Growth:**
  - Annual Recurring Revenue (ARR) grew by 14%, with significant acceleration in the fourth quarter.
  - The 2025 ARR increase is expected to deliver a greater positive impact on 2026 results.
- **Cost Management and Profitability:**
  - Gross profit margin improved by 2% due to a higher proportion of revenue derived from high-margin licensing.
  - R&D costs decreased by 11% and SG&A costs decreased by 32%, both resulting from the headcount reductions initiated as part of the late 2024 restructuring initiative.
- **Adjusted EBITDA\* Loss Improvement:**
  - The restructuring initiative was the primary driver for an 82% improvement in Adjusted EBITDA\* loss, moving from a \$3.9M loss in 2024 to a \$0.7M loss in 2025.

\* Adjusted EBITDA (a non-US GAAP measure is defined as earnings after capitalized commission costs and before interest, tax, depreciation, amortization, exceptional costs and share-based payments)

# Balance Sheet

	As at 31 December 2024	As at 31 December 2025
	\$	\$
<b>Assets</b>		
Cash and cash equivalents	2,607,422	1,910,755
Account receivable, net	1,839,305	2,051,601
Unbilled work-in-progress	1,160,680	1,210,651
Other current assets	275,984	196,586
<b>Current assets</b>	<b>5,883,391</b>	<b>5,369,593</b>
Intangible assets, net	1,800,613	1,709,311
Goodwill	2,178,198	2,332,185
Furniture, equipment and purchased software	206,678	174,933
Contract costs	835,521	900,926
Right-of-use asset	134,777	44,789
<b>Non-current assets</b>	<b>5,155,787</b>	<b>5,162,144</b>
<b>TOTAL ASSETS</b>	<b>11,039,178</b>	<b>10,531,737</b>
<b>Liabilities</b>		
Accounts payable and accrued expenses	2,542,049	2,433,919
Income tax payable	1,021,905	1,043,368
Deferred revenue	2,849,163	3,266,824
Notes payable – related parties	162,396	162,396
Current Lease Liability	74,248	44,789
<b>Current liabilities</b>	<b>6,649,761</b>	<b>6,951,296</b>
Provisions-end of Services indemnity	308,824	317,602
Deferred revenue	445,799	532,843
Non-current lease liability	60,529	-
<b>Non-current liabilities</b>	<b>815,152</b>	<b>850,445</b>
<b>Total liabilities</b>	<b>7,464,913</b>	<b>7,801,741</b>
<b>Total Shareholders' equity</b>	<b>3,574,265</b>	<b>2,729,996</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>11,039,178</b>	<b>10,531,737</b>

## Commentary

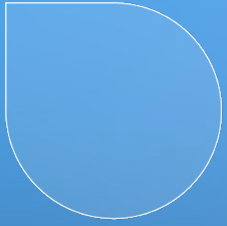
- Working capital declined by \$0.8M, primarily due to cash used in operations.
- A \$0.3M increase in accounts receivable and unbilled work-in-progress resulted from higher renewals and wins in late 2025.
- A \$0.5M increase in deferred revenue (short and long term) is a function of an increase in new deals in late 2025.

# Cash flow

Year ended 31 December	2024	2025
<b>Cash flows from operating activities</b>	<b>\$</b>	<b>\$</b>
Net income	(5,826,341)	(1,497,752)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	700,851	592,403
Non-cash stock compensation	275,643	246,760
Non-cash impact of foreign exchange on intangibles	71,102	(340,017)
Changes in assets and liabilities		
Accounts receivable	469,275	(212,296)
Unbilled work-in-progress	2,543,215	(49,971)
Income tax receivable	660,624	-
Other current assets	22,590	79,398
Deferred tax asset	830,778	-
Capitalization of commissions	(474,965)	(344,947)
Right of use assets	67,451	89,989
Accounts payable and accrued expenses	16,647	(189,340)
Income tax payable	(240,797)	21,463
Deferred revenue	261,867	504,705
<b>Net cash used in operating activities</b>	<b>(622,060)</b>	<b>(1,099,605)</b>
<b>Cash flows from investing activities</b>		
Purchase of furniture, equipment and software	(96,975)	(3,785)
<b>Net cash used in investing activities</b>	<b>(96,975)</b>	<b>(3,785)</b>
<b>Cash flows from financing activities</b>		
Repurchases of common stock	-	(4,876)
Proceeds from line of credit	300,000	200,000
Repayment of line of credit	(300,000)	(200,000)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(4,876)</b>
Effect of exchange rates on cash and cash equivalents	134,999	411,599
<b>Net decrease in cash</b>	<b>(584,036)</b>	<b>(696,667)</b>
Cash beginning of year	3,191,458	2,607,422
<b>Cash, end of year</b>	<b>2,607,422</b>	<b>1,910,755</b>

## Commentary

- Timing of renewals and professional service work performed can drive changes in billed and unbilled accounts receivable
- Commissions are capitalized, but paid to sales representatives as cash is received, therefore driving a timing difference in our cash flow
- Line of Credit is from Bank of America which was repaid during each respective year.
- As our operating results improve, we believe that we can continue to operate without the need of further cash infusions



End of Presentation